



Daily Report

Latin America

FBIS-LAT-89-131
Tuesday
11 July 1989

Daily Report

Latin America

FBIS-LAT-89-131

CONTENTS

11 July 1989

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Azcona Invites Counterparts to Regional Summit [LA TRIBUNA 7 Jul]	1
Nicaragua Agrees to Dates [Madrid EFE]	1
All Presidents Agree on 5-7 Aug [Tegucigalpa Radio]	1
Finance Ministers Discuss Economy, Brady Plan [ACAN]	1
ALDHU Reports on Human Rights Situation [Madrid EFE]	2

CARIBBEAN

Cuba

Closing Arguments, Reaction to Ochoa Hearing	3
Prosecutor's Remarks [Havana Radio, TV]	3
Perez de Cuellar Reacts [Madrid EFE]	10
Pope Requests 'Mercy' [Madrid EFE]	11
Former General Comments [Madrid EFE]	11
Raul Castro Presides Over Military Graduation [Havana TV]	12
Delegation Returns From DPRK Youth Festival [Havana TV]	12
Havana To Host Tripartite Meeting in September [Havana TV]	12
Group of 77 Action Committee Meets in Havana [Havana Radio]	13
Jibara Dam in Holguin in Testing Stage [Havana TV]	13
Woman Gets 18-Year Sentence for Sabotage [Havana TV]	13

Caribbean Affairs

Reportage on Caricom Heads Meeting in Grenada	13
Panamanian Delegation Seeks Support [CANAL]	13
Caricom Condemns Panama Elections [CANAL]	14
Reforms Urged for Haiti, Panama [CANAL]	14
Avril Invites Leaders to Haiti [CANAL]	15
Leaders Endorse Disaster Relief [CANAL]	15
Appeals Court To Be Discussed [CANAL]	16
Leaders To Stay for CDU Meeting [CANAL]	16

Haiti

PDCH's Claude Wants Protests at U.S. Embassy [Port-au-Prince Radio]	16
UCH's Roy's Residence Reportedly 'Attacked' [Port-au-Prince Radio]	17

MEXICO

Reportage on Gubernatorial Election Results	20
PRI Claims Victory in 11 States [Mexico City TV]	20
PRI Victory in Chihuahua [Hamburg DPA]	20
Final Results Expected Mid-Week [Hamburg DPA]	20
Update Shows PRI Leading [Mexico City TV]	20
CTM Leader Velasquez Undergoes Surgery [Mexico City TV]	21

CENTRAL AMERICA

Costa Rica

Drug Trafficking Money 'Contributed' to Arias	[ADELANTE 30 Jun-6 Jul]	22
---	-------------------------	----

El Salvador

Cristiani on Plan To Improve Social Development	[EL MUNDO 6 Jul]	22
Archbishop Decries Violence, Urges Peace	[San Salvador TV]	23

Guatemala

Foreign Minister Invited to Panamanian Talks	[PRENSA LIBRE 7 Jul]	23
EL GRAFICO on Alleged Government 'Purge'	[5 Jul]	24
Talks Between Teachers, Education Minister Fail	[PRENSA LIBRE 5 Jul]	24
Rumors Concerning Sale of Gold Reserves Denied	[LA HORA 6 Jul]	24

Honduras

Deputies on Deteriorating Ties With Nicaragua	[TIEMPO 7 Jul]	25
Murders of Labor, Student Leaders Investigated	[EL HERALDO 7 Jul]	25

Nicaragua

President Leaves for Menem's Inauguration 7 Jul	[ACAN]	26
Ortega on Talks With Venezuelan President	[Managua Radio]	26
Minister on U.S. 'Plans' Against Elections	[Managua Radio]	26
UN Observers' Mission To Arrive 8 July	[Hamburg DPA]	27
Mission Arrives; Duties Outlined	[AFP]	27
Expulsion of 'Freedom House' Member Ordered	[ACAN]	28
Official Media Members Receive FSLN Cards	[Hamburg DPA]	28
Bolanos on More Farm Expropriations for 1989	[LA PRENSA 1 Jul]	28

Panama

U.S. Marines March on Highway, Violate Treaty	[Panama City TV]	30
Youth Group Plans Quarry Heights Demonstration	[CRITICA 11 Jul]	30
Solis Palma Comments on Constitution, Dialogue	[Panama City TV]	30
ADOC's Endara on 'Foiled' Dialogue Attempt	[Panama City TV]	30
FDP Colonels Attend 'National Dialogue'	[ACAN]	31
Papers Comment on Political Parties' Dialogue		32
On 'Urgent' Need for Dialogue	[LA REPUBLICA DOMINICAL 9 Jul]	32
On 'Failure' of Dialogue	[LA ESTRELLA DE PANAMA 9 Jul]	32
Opposition Leader on Noriega, Intervention	[Hamburg DPA]	33
FDP's Madrinan Criticizes Cisneros' Remarks	[Hamburg DPA]	33
PDC's Arias Urges OAS 'Intervention'	[Madrid EFE]	33
PRD Official Criticizes U.S. Military Activity	[EL DIA 3 Jul]	34
PRD's Duque on U.S. Army 'Aggressions'	[CRITICA 5 Jul]	35
'Note' on PCC Administrator Sent to U.S. Envoy	[CRITICA 7 Jul]	37
Endara Reports Meeting With Senator Dodd	[Hamburg DPA]	37
CRITICA: Southern Command Controls Opposition	[7 Jul]	37
Minister Explains Financial Status With IMF	[Panama City TV]	38
Bank Restrictions Extended Until December	[LA REPUBLICA 30 Jun]	38
French Embassy Rejects 14 July Ceremonies	[ACAN]	38
Relations Established With Maldives	[Panama City TV]	39

SOUTH AMERICA

Argentina

Reportage on New Government Activities, Transition		40
Menem Talks to Foreign Media	[Buenos Aires TV]	40

Reaction to Inaugural Address [NOTICIAS ARGENTINAS]	42
Alfonsin Resignation Released [TELAM]	43
Presidents Discuss Issues [TELAM]	44
Ortega Calls for Unity [TELAM]	45
Samery Holds Talks With Menem [Brasilia Radio]	45
Interior Secretaries Sworn In [TELAM]	45
New Defense Secretaries Sworn In [NOTICIAS ARGENTINAS]	45
Armed Forces Chiefs Named [TELAM]	46
Atomic Energy Head Named [TELAM]	46
Tierra del Fuego Governor Appointed [TELAM]	46
Trade Secretary-Designate Resigns [DYN]	46
Thatcher Sends Telegram [TELAM]	47
Relations With UK Possible [NOTICIAS ARGENTINAS]	47
Ministry Announces Latest Economic Measures [TELAM]	47
Indian Official Wishes To Increase Exchanges [LA NACION]	50
Correction to Report on Inaugural Delegations	50

Bolivia

Vice President Advocates Antidrug Summit [EL DIARIO 27 Jun]	50
Commander Asserts Army Fulfilling Mission [La Paz Radio]	50
Passports Issued to PRC Citizens Investigated [PRESENCIA 29 Jun]	50
New Province Created in Oruro Department [EL DIARIO 30 Jun]	51

Brazil

Argentina Owes \$300 Million for Imports [O ESTADO DE SAO PAULO 6 Jul]	51
Country 'Categorically' Not Building Atomic Bomb [Madrid EFE]	51
Debt Reduction Attempted by Government [O ESTADO DE SAO PAULO 7 Jul]	51
Samery Approves Extra Pay Hike for Military [O ESTADO DE SAO PAULO 7 Jul]	51

Colombia

Barco Replies to M-19 Leader Pizarro's Letter [Bogota TV]	51
Barco Cited on Domestic, Regional Topics [Madrid ABC 23 Jun]	52
Rebels Demand Dialogue Without Intermediaries [AFP]	53
ELN Kidnaps Three Mayors, Demands 'Oil Forum' [Hamburg DPA]	54
Releases Mayors 10 Jul [Bogota TV]	54
ELN Kidnaps Congressmen, Promises Their Release [Buenos Aires REUTER]	54
Releases One [Bogota TV]	55
ELN Threaten To Kill Norwegian Anthropologist [Hamburg DPA]	55
To Release Norwegian [Bogota TV]	55
ELN Attacks Cano Limon-Covenas Pipeline [Madrid EFE]	56
Bombs Destroy Store, Emerald Dealer's Office [Bogota TV]	56
Government Appoints New Brigade Commanders [EL SIGLO 29 Jun]	56
Government Appoints New Prisons Director [EL SIGLO 29 Jun]	56

Peru

Garcia Returns Home From Menem Inauguration [Lima TV]	56
President Comments on Argentine Situation, Debt [Lima TV]	57
Police Attack Construction Workers in Lima [Madrid EFE]	57
Terrorists Kill Peasant Defense Patrolmen [Madrid EFE]	58
Terrorists Murder Puno Township Officials [Madrid EFE]	58
Policemen Die in Ambush [Madrid EFE]	58

Uruguay

Sanguinetti Departs for Portugal, France [Madrid EFE]	59
---	----

Azcona Invites Counterparts to Regional Summit
PA0707165589 Tegucigalpa LA TRIBUNA
in Spanish 7 Jul 89 p 6

[Text] Yesterday, President Jose Azcona sent formal invitations to his Central American counterparts for the fifth summit to be held in Tela, Atlantida Department, from 5 to 7 August.

The invitation was sent to Presidents Vinicio Cerezo of Guatemala, Alfredo Cristiani of El Salvador, Daniel Ortega of Nicaragua, and Oscar Arias of Costa Rica.

It states that the presidential meeting will be held at Telamar Villas.

This is the fifth meeting in the search for peace in the area. The first was held in Esquipulas, Guatemala in May 1986.

Nicaragua Agrees to Dates
PA0307161189 Madrid EFE in Spanish 1530 GMT
3 Jul 89

[Excerpt] San Jose, 3 Jul (EFE)—Nicaraguan Ambassador to Costa Rica Saul Arana reported today that the Nicaraguan Government agrees to hold the Central American presidential summit 5-7 August.

Although Nicaraguan President Daniel Ortega has not made any public statement to that effect, Arana said his government considers those dates "feasible."

Honduran President Jose Azcona and Costa Rican President Oscar Arias have agreed to hold the summit on those dates, which coincide with the 2d anniversary of the Esquipulas II peace agreement signed on 7 August 1987.

Similarly, Guatemalan President Vinicio Cerezo and Salvadoran President Alfredo Cristiani have agreed to attend the presidential summit on the aforementioned dates.

The Nicaraguan Government refused to attend the summit in mid-July because Nicaragua is celebrating the 10th anniversary of the triumph of the Sandinist revolution, which overthrew Gen Anastasio Somoza on 19 July 1979.

However, Ortega said he would be willing to attend a presidential summit after 25 July.

The presidential summit, which will be held at the Caribbean port of Tela, Honduras, has been postponed three times for various reasons. [passage omitted]

All Presidents Agree on 5-7 Aug
PA0507171889 Tegucigalpa Cadena Audio Video
in Spanish 1200 GMT 5 Jul 89

[Text] In a report from San Jose, Costa Rica, the INTER-PRESS service news agency indicates that Costa Rican Foreign Minister Rodrigo Madrigal confirmed yesterday that the Central American presidents will hold their fourth summit meeting from 5 to 7 August in Honduras.

The Costa Rican foreign minister said that President Oscar Arias informed him that he had spoken over the telephone with the rest of the Central American presidents and that it is definite that the meeting will be held during the 2d week of August, as Honduran President Jose Azcona proposed.

The meeting will coincide with the 2d anniversary of the signing of the Esquipulas II regional peace plan signed in Guatemala on 7 August. The confirmation of the date ends a long period of discussion about the summit. Some local observers have speculated that this summit will not be held, leading to the definite burial of the process which began on 7 August 1987. That process also brought about a UN-sponsored economic cooperation plan that is currently being discussed in Geneva.

Costa Rican political observers believe that the mediation of U.S. Senator Christopher Dodd might have contributed to the setting of the date for the summit. The U.S. senator, who supports the peace process, visited Central America last week.

Finance Ministers Discuss Economy, Brady Plan
PA0907012789 Panama City ACAN in Spanish
1334 GMT 8 Jul 89

[Text] San Jose, 8 Jul (ACAN-EFE)—During a meeting held in San Jose on 7 July, the Central American finance ministers, except for El Salvador's, who did not attend, concluded that the Brady plan is not a true and complete solution to the Central American countries' foreign debt problem.

That conclusion was released to the public during a news conference granted by Honduran Finance Minister Carlos Falck, after the closing of the Central American finance ministers and deputy ministers meeting, during which they discussed common economic problems.

Falck said, however, that U.S. Treasury Secretary Nicholas Brady's initiative to reduce the poorer countries' foreign debt "contributes" to the solution to the problem.

Falck warned that the Brady plan will or will not be adopted by each area country according to each country's own problem. Falck stressed, for example, that while the Honduran debt to commercial banks represents 15 percent of its total foreign debt, the Costa Rican debt to commercial banks represents 40 percent of its total debt.

According to Minister Falck, Honduras uses 35 percent of its exports to pay for servicing the foreign debt, which prevents the country's economic development.

Guatemalan Finance Minister Rodolfo Paiz stressed that the "dynamic process" of the Central American economies have caused a phenomenon, in which we "have oriented our economies toward other regions" in the search for markets for our export products, but from now on we will "compete in the international market together, as a region."

Minister Paiz said that as examples of an economy oriented "from the inside toward the outside" there is the EC unification process, the process of perestroika (rectification) in the Soviet Union, and Japan's rapprochement with the Pacific Basin. Those orientations were adopted to benefit those countries' populations, Minister Paiz said.

In that regard, Finance Minister Paiz stressed that the formation of the Central American Parliament—which has not yet been ratified by Costa Rica—would offer the "political basis" necessary to strengthen the Central American process of economic unity.

Nicaraguan Finance Minister William Huper said he informed his colleagues of the structural adjustment process his country has been developing since early 1989, the goal of which is to reduce inflation in Nicaragua.

Huper asserted that Nicaraguan public expenditure has been reduced by 41 percent this year compared to 1988. Huper said that thanks to a better tax control system, 93 percent of the state expenditures have been financed with internal resources.

According to Huper, Nicaragua "hopes to register a 20-percent export growth in 1990."

Huper added that despite the strong currency devaluation the Nicaraguan Government had to decree in June (a 110-percent devaluation), "the prices of staple items went up by no more than 62 percent."

Costa Rican Finance Minister Fernando Naranjo indicated that the area finance ministers agreed to call for a meeting of Central American customs officials in August to promote the unification and larger coordination of the Central American customs system. The venue of the meeting was not announced.

Naranjo said that during the review of the various customs control systems, the ministers found "generalized deficiencies" in the procedures, installations, equipment, and transactions, most of which were described as "obsolete" by the participants in the meeting.

Naranjo announced that the goals for 1990 are "to unify the area's customs control," to improve control of "tax evasion, and to fight smuggling," although he added that the area finance ministers did not discuss the drug trafficking problem in the area.

ALDHU Reports on Human Rights Situation
PY0807114689 Madrid EFE in Spanish 1939 GMT
7 Jul 89

[Text] Montevideo, 7 Jul (EFE)—According to a report by the Latin American Human Rights Association (ALDHU), the human rights situation has deteriorated in El Salvador; it is cause for concern in Guatemala, Panama and Honduras; and it is desperate in Haiti.

The ALDHU issued today in Montevideo a report on the human rights situation in Latin America.

In its report, the ALDHU states that in El Salvador "a vast sector of the population was kept from exercising its right to vote in view of the outbreak of clashes after a break in negotiations between the government of former President Jose Napoleon Duarte and the guerrillas."

It adds: "The election victory of the rightist Nationalist Republican Alliance (ARENA) is tantamount to the access to power of a political sector more inclined to engage in confrontation than negotiation. Therefore, there is no hope for a peaceful solution in the short term."

The ALDHU report states: "On the contrary, everything leads to the belief that political violence will continue to affect the stoic Salvadoran people."

The report adds: "Although the democratic Government of Guatemala, headed by Vinicio Cerezo who assumed power 3 years ago, committed itself to the implementation of urgent and specific actions to improve the human rights situation in that country, this objective has not been achieved."

It states: "The disappearances of people, the murder of politicians, peasants, and students, in which there is clear evidence of the involvement of official security forces, have not ceased."

There are currently in Guatemala "over 200 cases of unexplained disappearances."

This is in addition to "a series of destabilizing actions carried out by the Armed Forces, all of which pose a serious threat to democracy in the region."

Regarding Panama, the ALDHU reports that the violence and clashes that resulted in nullifying the elections "are a clear example of how much intransigence a people can tolerate."

The ALDHU expresses its conviction that the solution to the Panamanian conflict "calls for all sectors involved—COLINA [National Liberation Coalition], ADOC [Civic Democratic Opposition Alliance], the government, and the Armed Forces—to engage in a dialogue." It also urges the United States not to intervene militarily in Panama.

Cuba

Closing Arguments, Reaction to Ochoa Hearing

Prosecutor's Remarks

FL0607173889 Havana Domestic Radio and Television Services in Spanish 0036 GMT 6 Jul 89

["Text" of the prosecutor's closing argument against former military officers—recorded]

[Text] Comrade President, comrade members of the Honor Tribunal:

As of the moment of Ochoa's arrest, when the first results of the investigations were obtained, it became evident that we were confronted with a crime of treason. That is obvious today, not only by the overwhelming amount of evidence and testimony, but also by the clear disclosure of the nature of the facts that you must judge.

As trivial as it may seem, it is necessary to summarize once again who Arnaldo Ochoa Sanchez was, precisely because his previous status of outstanding military chief, hero of our Republic, chief of several internationalist missions, and deputy of the National Assembly gives the exact measure of the enormous size of his crime. This is what it is all about, comrade president, a crime, a crime of high treason committed against the fatherland, against the people, against his superiors, and against the very idea of what a revolutionary, a military chief, and a Cuban internationalist fighter really is.

It is evident that beyond any legal technicalities, beyond the serious charges that have been raised and proven—and for which punishment is clearly foreseen by our current legislation—Ochoa's greatest crime is having betrayed his people.

During the trial hearings, it became evident that Ochoa's treason has placed our country in a very delicate situation, seriously harming the prestige of the Revolution and its international credibility that are, to say the least, the main and sometimes only weapons our country has for fighting against imperialist aggression.

With their actions, Ochoa and the rest of the defendants almost managed to deprive the Revolution of vital reasons and arguments for confronting the imperialist campaigns.

It has been said many times in this room, but it is necessary to reiterate: What would have happened if Ochoa's assistant—one of the most prestigious and outstanding Cuban military chiefs, chief at that time, of the Cuban military mission in Angola—had fallen into the hands of the enemy? How could we have then denied and proved the innocence of the Revolution? Using what arguments, what evidence?

However, this is not exclusively a matter of how difficult it would have been to prove our innocence before the enemy. How would we have persuaded our friends and how could we have convinced so many honest people throughout the world who live terrorized by the scourge of drugs? This is precisely the beginning of the treason of Ochoa and all the defendants, who know perfectly well the clear stand of our Revolution, which through its main leaders—particularly Comrade Fidel—has reiterated constantly that our country has nothing to do with narcotics trafficking and proclaims that the Revolution has the cleanest record.

If any of the defendants could claim in their favor the outrageous argument that they were confused by the double dealings of men of the moral nature of Tony de La Guardia or Amado Padron—who, accustomed to their double morals, behaved in a manner completely divorced from their official stands—Ochoa does not even have such a childish excuse. Ochoa was a man of confidence, close to Fidel and Raul. Therefore, he is an exceptional witness of all of their thoughts and he knows perfectly well the full correlation between those thoughts and the official and public stands of the Revolution.

First of all, Ochoa betrayed Fidel, who was in fact his commander in chief. Ochoa knows, more than anyone else, that he has betrayed a symbol, a history of integrity never tarnished by a lie.

In attempting against Fidel's credibility, Ochoa and all those implicated have treacherously stabbed the fatherland and the people.

Fidel is our voice, our representation, to whom we resort at difficult times. He has the authority before the public, foreign governments, and international organizations to clarify our country's real situation under all circumstances and at the most critical moments.

In disavowing Fidel, Ochoa disavowed Cuba and left the people at the mercy of the enemy's attacks, dramatically weakening the Revolution's defense.

However Ochoa, who stopped at nothing, also betrayed Cuba when he wretchedly deceived the Nicaraguans by stealing large sums of money from them, which he swiftly deposited in Panama. In judging Ochoa's infamy, it is not enough to say that he deceived who he was supposed to serve; he also deceived his friends, who loved him and respected him, not only for his merits, but because he supposedly represented the qualities a Cuban internationalist fighter should have.

Today we are distressed by the just reproaches we may have received from the Sandinists, the Nicaraguan patriots and fighters, who we thought we would help by sending one of our best qualified military commanders, who nevertheless behaved as a vulgar criminal.

No apology seems suitable for such shameful conduct. However, we are satisfied to know that his contacts through Martinez with Colombian drug traffickers outside of Nicaragua—as the investigations have revealed—did not involve or corrupt any of the Sandinist fighters who were close to him during his mission in Nicaragua.

Ochoa's treason to Cuba was even worse when he betrayed the Angolans, the heroic and noble people of Angola, to whom nearly 500,000 Cubans have extended a generous hand.

Nothing could be more shameful for our internationalist fighters than to learn from the participants themselves that the head of the Cuban mission in Angola engaged in selling sugar, wheat, fish, and salt in Luanda's black market [candonga] to obtain meager sums of money under the pretext of improving the living conditions of his men, which actually ended up in his banking account in Panama.

Such conduct is nothing but profiting from the hunger of the Angolan people, who are subject to much suffering due to foreign aggression. Many empty stomachs in Angola are aching for that sugar, wheat, salt, and fish, and thousands of children die simply because they lack those products. It is twice as criminal to speculate at the expense of such misery. Not even the infamy of his diamond and ivory trafficking is as condemnable.

How could the authorities in that country imagine that this man—who they admired and respected, who they trusted in military operations that involved thousands of men, and who frequently met with their president—had changed his military uniform for the attire of an illegal merchant? How can they accept today that his talent and time, which he should have entirely dedicated to the struggle against South Africa, was spent in operations involving food, wood, ivory, and diamonds?

Still more serious is the offense that Ochoa has committed against our people, against the thousands of Cuban mothers whose sons fought in Angola. What excuse can Ochoa give to the orphans and widows of those who fell and who he has offended with his shameful behavior? Ochoa has done too much to destroy a legend, a mystic courage and heroism, forged by thousands of men who fought and fell fulfilling what will be—despite Ochoa—a page of history that can never be erased.

Those men who fought in Angola, Mr President, are walking our streets, working in our factories and hospitals, making our land produce; they have been betrayed by Ochoa, and they are asking for justice. They are giving this tribunal the historic responsibility of clearing the offense and cleaning each and every one of the stones in the trenches of honor and glory that they forged.

Unfortunately, I cannot conclude this allegation that has become a string of infamies because, unfortunately, not everything has been said.

Ochoa—who in many ways has appeared to be honest and one could even say courageous in admitting his fault and not trying to evade the sentence that awaits him—has tried in these days to present an image of being a simple and austere man. In fact, Ochoa is neither. He is not modest due to the very nature of his aspirations of wealth, and he is not austere because he never deprived himself of anything. He obtained everything he wanted and wished, not always—of course—in a legitimate way. When he reached the limit of wishing what he could not reach in this society, he did not hesitate to separate himself from this society, in seeking his own means, no matter how doubtful these may have been. This is how, to obtain money quickly and in fabulous amounts, he did not hesitate to take the unfortunate path of narcotics trafficking.

Where is the modesty of a military chief who is not satisfied with the living conditions of his own rank and conceives the sickly idea of building for himself a mansion in a remote jungle with the precious woods—also ill-acquired—of the African jungle where he had gone to fight? This plan was not distant; the wood was already in Cuba.

Of what modesty can Ochoa speak after he has enjoyed all human and divine pleasures? He was already going downhill in depravations, engaging in all manner of immorality, which have been amply explained here by the defendant Patricio de La Guardia, but which have not been made public because—after all—they contribute nothing from a legal point of view.

Some lawyers, judges, and even myself wonder what became of the other Ochoa; that is, the hero, the competent military chief, the young peasant who came with Camilo [Cienfuegos] in the invasion? We went around in circles until this trial disclosed that this Ochoa does not exist, that Ochoa destroyed himself until he dissolved into the grotesque caricature that we have had before us all of these days. That Ochoa does not exist because, as he himself said in a moment of honesty, he became tired.

Hence, Comrade President, a question the answer for which can provide us with conclusive and enlightening conclusions. Of what did Ochoa tire? It was not the military service, because Ochoa is not a career military man [as received] or heir of a family military tradition. No military man would ever have tired of such an attractive service as his. Ochoa did not tire of the academies. Ochoa got tired of public service, he got tired of living dedicated to a cause, he got tired of struggling and working for others. He got tired of the people's liberation struggle. With total awareness and in a calculated manner, he decided to live another life, a life that began and ended with himself. Tired and bored of his life of revolutionary struggle, ready to undertake his own path, Ochoa chose other models and other paths: the

model of a Pablo Escobar, drug czar, uncontrolled millionaire, not subject to any discipline, principle, or ideology. He chose the path of easy money, that of drug trafficking.

Only in that way can one find an explanation for the crazed actions that he undertook and the plans that he conceived in his mind. Ochoa, as well as the guards and cattle rustlers disguised as MININT [Ministry of the Interior] officials, almost placed the country in a situation of moral defenselessness in the face of U.S. aggression, which with such proven facts would have earned the support of U.S. public opinion.

Ochoa cannot assess the extent of the damage that he could have caused the country by discrediting Varadero, which is our main tourist region, which the country relies on for the development of an important and legitimate source of income.

Comrade president, as if this were not enough, General Manuel Fernandez simply and dramatically explained part of the damage that Ochoa Sanchez caused by injuring the confidence of the citizens in basic institutions of the country, by obliging disclosure of the delicate work proceedings of the security organizations and by creating a climate of distrust inside these organizations.

Hereafter, we will have to continue to stage secret operations. Orders and assignments from officers will have to be followed without any guarantee other than the word of the superiors. There will be missions on which no one can be consulted and on which no one will be asked for advice. There will be many opportunities in which the combatants must act independently. Confidence and trust in words will have to continue to exist and some will only live alone with their conscience.

Comrade President: I have all the reason in summarizing in Arnaldo Ochoa the nature of the crimes and the denouncement of treason. Naturally, I also extend these judgements, or most of them, to the rest of the accused who were once also officers and, who in actions of service or protecting themselves behind those actions, committed the most serious of crimes. In order of responsibility, there is, for example: Antonio de la Guardia. He was the most responsible person for involving Cuba in drug trafficking. He took advantage of the trust given to him in heading a department dedicated to the noble effort of breaking the U.S. blockade. He used and abused his privileges and put them to the service of the infamous business of cocaine and marijuana. Tony la Guardia took advantage of his knowledge and training to carry out special activities and his misdeeds. It is difficult to believe that there has ever been a drug trafficker who has had such great advantages and resources. Tony de la Guardia made Cuba a hostage of international drug trafficking.

I confess, Comrade President, that throughout my life as a military and public service official, I never imagined what has been learned here.

Tony de La Guardia and any of the criminals sitting here were capable of paralyzing the action of the country's vital defense services. Antonio de La Guardia inhibited activities to repress illegal maritime and air navigation. He controlled the country's air corridors; he had authorization to violate all immigration regulations. He allowed renowned criminals to enter the country and to seek refuge in our territory. He could prevent action by the authorities.

De La Guardia and his gang staged all of these actions, sheltered by powers vested in him for legitimate purposes. De La Guardia resorted to deceit, bribery, and confusion.

Today it is truly difficult to establish how many of those boatmen were agents of the CIA and how many of their actions are registered in the special services of the enemy.

Tony de la Guardia cannot argue naivety. His crimes also include betrayal, and most repulsive disloyalty to his country, his people, and his institution.

Amado Padron, one of the most cynical and repulsive characters among the many who have been summoned here, represents the typical criminal: an opportunist, capable of any vile deed to make money. His confession and his lamentations serve as an excuse not to expand into additional arguments. However, it is impossible not to point out, once more, his low morals.

I could not mention him [former Captain Jorge Martinez]. However, it is impossible not to mention here that Martinez, a former Ochoa aide, who has attempted to convey here the image of the faithful servant who obeys orders, a robot, is no such thing. He was sort of a gray eminence for Ochoa, and probably the adviser and coauthor of some of his boss' projects.

Martinez, sent by Ochoa, perpetrated the greatest and most dangerous adventurous action among those mentioned here: He perpetrated the incredible action of an active Cuban soldier who traveled to Colombia to meet Pablo Escobar, with whom he dealt, not only about drugs but also about the possibility of providing antiaircraft weapons to this drug kingpin.

Martinez placed Cuba on the verge of a true catastrophe, and is among all of them—together with Ochoa of course—the most guilty, if such a category could be established.

I personally have no doubt that Martinez always acted—before Escobar and some of the members of De La Guardia's group—not only under the protection of his boss, but also assuming some representativeness of his own. Only this can explain that Pablo Escobar granted him credit.

I would like to avoid making references alien to the process, however, Martinez could only have impressed Escobar by passing as a representative of this country.

It is difficult to establish categories and responsibilities among the other members of the De La Guardia group. All of them—former Interior Ministry officers, some with heroic origins and important missions fulfilled during their long lives at the Interior Ministry—left aside their pasts, their shame, their prestige and their honor, and in an incredible manner have deteriorated until they became simple servants of international drug trafficking. They let themselves be coaxed by the glory Antonio de La Guardia offered them, by the excessive ambition to gain money, and by the desire to possess resources, and live above our people, our population.

What can be said about Antonio Sanchez Lima? Self-confessed of a large number of operations conducted with drug traffickers, of establishing links, of receiving gifts from the indecent hands of drug traffickers, of taking advantage of all these things.

What can we say of Eduardo Diaz Izquierdo, day after day participating in these actions, right-hand man of Amado Padron, a close collaborator of all the narcotics traffickers who went through our country, regardless of their country of origin and regardless of what they came to look for in our country?

How about Alexis Lago, a Cuban worker, who began as a stevedore, who later joined the glorious ranks of MININT, and who then exchanged, in an incredible manner, his attributes of a soldier for the attributes of a criminal?

How about Miguel Ruiz Poo? We have devoted many hours here to the deposition of Miguel Ruiz Poo. Mr President and members of the tribunal: I personally feel that at the end, whatever shame there was left in Miguel Ruiz Poo came out in the open and in one last moment of dignity, he tried to say everything he knew and get it off his chest. What happens is that this confession by Miguel Ruiz Poo takes place after having enjoyed years of a calm and sweet life—as all the others did—of elegant cars, of living above his neighbors. He was a man no one in his neighborhood really knew, as he was a powerful "lord" of narcotics trafficking. He did not have to experience any of the limitations, worries, and anxieties our people have today to solve our economic situation and develop our socialism.

I must honestly admit that I felt sorry for defendant Rosa Maria Abierno Gobin. I wondered for many hours at how she was a teacher and devoted 6 years of her life to

teaching, to struggling with adolescents. Later, when she was alone and feeling discriminated against by Tony's group, when she had no ties, she desperately went out to seek a connection and went to Cadiz and found that connection. She then turned into a manipulator of boats. There begins the same process of corruption as the rest of the group; she began to define her position as nouveau riche through narcotics trafficking, to look for houses through illegal—absolutely illegal—means, and obtain a car, two cars, and do other similar or worse things.

I wondered, and I asked the defendant during this hearing: How could you do this, you, a teacher? Is it that none of you have thought of the consequences of drugs, and mainly the consequences of drugs on the youth of the world? How could you, then, be confused and evolved, to the point of going from teacher to assassin of children?

Jose Luis Pineda is an important "lord" of the international dealings of this group of narcotics traffickers. He has no qualms about meeting with Amado Padron, of talking about narcotics trafficking and becoming an important point in the negotiations of narcotics trafficking in Mexico. He has no qualms about contacting Colombians, Mexicans, Americans, everyone, in this unrestrained search for paths for drugs, in the unrestrained search to poison the world, in the unrestrained search for paths walked by those who are no longer revolutionaries, much less officials of MININT.

Then there is Gabriel Prendes, who is part of all this mechanism. He confessed to us that he changed from six to one the exchange rate of the dollar for the peso and that later he kept half of it for himself. This is how he acquired 50,000 pesos, in addition to tens of thousands of dollars seized in his home.

Leonel Estevez has confessed his participation in these action in such a manner that there is no room for any doubt, the prosecution feels.

I do not want to abuse the patience of this tribunal by making detailed reference to these facts and mentioning all of them. However, I cannot fail to mention, in a very special way, the personality of Patricio de la Guardia, who was, until not so long ago, chief of the MININT mission in Angola, and before that, no less than the MININT chief of staff.

That man, like Ochoa, was serving in a country at war and he had the mission of leading men who, in one way or another, were involved in combat actions. He did not hesitate to set aside his responsibilities to also engage in illegal trade and the outrageous theft of resources from the Angolan people for his own benefit.

Chance brought Patricio de la Guardia and Arnaldo Ochoa together, and Tony de la Guardia joined them in infamy.

Comrade President: If I could summarize these introductory words, I would have to mention the deluge of slander and the strong campaign of infamy against our country that these heartless people have prompted. In his blindness, the enemy reached the senseless conclusion that Ochoa and even the other defendants had political motivations. Ochoa, De la Guardia, Padron, Martinez, and all of the others fall into the simple category of common criminals, and nothing more has to be said.

None of these men was ever moved by the tremendous damage their actions as narcotics traffickers were doing to the youth of the world, and none of them was horrified by the idea that they could harm millions of persons throughout the world.

Comrade President, comrade members of the court-martial:

It is absolutely necessary that we make a legal evaluation of the facts.

Mr President, please forgive me, but apparently in the report I forgot to refer to the behavior of the defendant Antonio Rodriguez Estupinan. It is not that he is exempt from responsibility. Unfortunately, it is the opposite.

Antonio Rodriguez Estupinan, an officer who had a dignified career in the FAR, with 29 years service in our ranks, who carried out missions abroad on several occasions, went as far as becoming chief of Cuban military missions in an African country. He was trained here, in this same building, and he went to Angola to fulfill very specific missions as Ochoa's assistant. Aware of Ochoa's virtues and defects, he did nothing to increase Ochoa's virtues and to help Ochoa develop his virtues, and he became the most "efficient" aide of his commander. He shared with him many of the criminal actions, the diamonds, the ivory, the dollars; he willingly turned over to Ochoa \$23,000 that he knew did not belong to Ochoa and which knew belonged to the Cuban military mission in Angola. He received money from Capt Llicas, and he demanded that Llicas deliver to him the rest of the money from the damned television sets. Nobody knows from where these television sets came, because they did not come out of the Panama account, as this account was sealed on Ochoa's orders. He never told us why the account was sealed. In Cuba, Antonio turned over to Gen Ochoa \$47,000, which belonged to the Cuban mission in Angola.

We have already reproached this "efficient" assistant who is seated here, because—and I must repeat this—if he had fulfilled with dignity the role assigned to him by the FAR, these narcotics traffickers would still be on trial, but Arnaldo Ochoa would not be among them. Rodriguez Estupinan should have told the FAR commander about Arnaldo Ochoa's corrupt behavior. Rodriguez Estupinan became part of this corruption, and that is why he, too, is sitting there, a defendant in this trial.

Mr President: We must make a legal evaluation of these facts.

I think it escapes no one that we are confronted here with a gigantic treason against the fatherland, and this treason has been the result of many crimes.

The facts to which we have referred this afternoon, that have been confirmed during this hearing, and that have been amply publicized include the following crimes:

First, defendants Ochoa Sanchez, Antonio de la Guardia Font, Padron Trujillo, Martinez Valdes, Sanchez Lima, Lago Arocha, Diaz Izquierdo, Abierno Gobin, Prendes Gomez, Estevez Soto, Pineda Bermudez, and Ruiz Poo engaged in hostile actions against a foreign state, and this is established and punished by Article 110, subparagraphs 1 and 2 of the Penal Code. Second, they were trafficking toxic drugs, as established and punished by Article 190, subparagraphs 1, 3, and 4 of the same. Both crimes are covered by Article 10, subparagraphs 1 and 2 of the Penal Code, as they are the result of the same actions.

Both crimes are intentional, according to the rules established by Article 9, subparagraph 1 of the general part of the Penal Code. The trafficking of toxic drugs is a crime of mischievous intent, in view of the fact that the defendants were fully aware of the actions they voluntarily carried out and that they wanted the results they obtained.

These men are also guilty of probable malicious intent in the crime of hostile acts against foreign countries. Although the purpose of the defendants was not specifically to be hostile toward another country and endanger the security, prestige, and dignity of their country, it is evident and has been proved that all of them were aware of the risks of their actions but, nevertheless, took the risks.

All the defendants who participated in these crimes are considered perpetrators. Penal Code Article 18, Section 4, establishes that persons who participate in crimes against humanity, human dignity, and collective health or in crimes covered by international agreements are to be considered perpetrators, regardless of the degree of their participation.

Regarding the crime of drug trafficking, we do not believe it is necessary to expand our arguments about events that, undoubtedly, the court and all our people fully know.

The most serious crime is the one of hostile acts against a foreign country. We believe it is necessary to be more precise about the subject. What constitutes this crime?

Penal Code Chapter 3 covers crimes against peace and international law, as well as such serious and degrading crimes as genocide, piracy, apartheid, and hostile acts against a foreign country. The defendants were charged with this crime based on the following facts:

The defendants prepared and carried out hostile acts against a foreign country without the government's authorization. Acts of this nature, whatever they may be, are reason for war or retaliatory measures against Cuba, for international humiliation, for reprisals by another country against Cuban citizens and their property, and for the straining of Cuban relations with another country.

These facts have been clearly established in the events covered in this case. I, however, call to the court's attention the following: In addition to the damage done to our relations with the United States—which feels that its struggle against drug trafficking was harmed by the activities of the illustrious persons who are here as defendants—the defendants' activities also harmed Colombia, Mexico, and Panama. These gentlemen also carried out hostile acts against the Mexican Government: to enrich themselves, the defendants, headed by Ochoa, tried to find a drug route from Colombia into the United States through Mexico.

The most serious aspect of this crime is that listed in Penal Code Article 110, Section 2, which covers actions that might result in retaliatory measures against Cuba, international humiliation, reprisals against Cuban citizens, and the rest of the aforementioned actions.

The shower of insults, infamies, and slanders that are currently falling upon our country is basically motivated by the imperialist press agencies, using for an excuse the actions perpetrated by these accused men, which permits them to accurately confirm that Cuba—not this group, but Cuba—is linked to drug trafficking. Because of this, we have to suffer thousands of infamies and humiliations, solely and exclusively as a consequence of the actions and work of these men.

Over 10 million Cubans must patiently suffer the humiliation, the press campaigns, the horrors said about the Cuban Revolution, by the grace of these 14 honorable citizens who were born, accidentally I think, in this country.

Could anyone have any doubt that the incidents in which the accused were involved have put in imminent danger the security, prestige, and honor of our country? We all know the enemy seeks the smallest occasion to justify all manner of aggression against Cuba. Who has today eased that possibility? Why are we the object these days of such a brutal campaign of discreditation and disgrace? In addition, there must be considered the phenomenon in which Varadero [beach resort] may become the tourist paradise of the country, and therefore, I would say nearly of the continent, in which the country is full of enthusiasm and about to make huge investments in Varadero to

attain tourist development—which will allow us to provide and obtain the foreign exchange the country is clamoring for and demanding; when suddenly, in the international media, the paradise of tourism turns into a paradise of drug trafficking; when this country had based its tourist campaigns precisely on statements that this is a country without drugs, a country full of security, a country that decent families from around the world can visit assured their children will find no drugs here; when the Miami boatmen, or when the DEA, thanks to the information these men with their irresponsible actions have been capable of supplying—publishes information on how a famous grandfather [not further identified] lived 29 days at a house in Canimar protected by Eduardo Diaz Izquierdo and Amado [Padron Trujillo] and how drug traffickers came and went out of this country in planes and boats, because drug trafficking had its paradise in Cuba, in Varadero.

What do we tell the world? Come to Varadero to enjoy the sun, the beach, and the cocaine supplied by Tony de la Guardia?

How much harm can those fabulous businessmen—who were getting rich buying stolen boats and selling them at twice their price to the national organization that should possess boats to develop tourism—cause to our economy?

How concerned were these people for Cuba? How concerned were they for the country's development? How willing were they to break the blockade, to help Cuba in its development? Maybe once, in its early beginnings, the MC Department played that role and I am sure that it has been a long time since the MC Department has exclusively fixed its sights on the search for drug trafficking money. Over \$1.23 million have been confiscated for these hard-working patriots, who have sought ways to solve the problems resulting from the blockade.

I ask myself, has that department ever been efficient, has it ever been useful, has it ever played an important role? How did it become a cave of drug traffickers and criminals? Did they forget about Cuba? Did they forget about the needs of Cuba? Even though they knew this country needed foreign exchange, these patriots preferred to establish a private bank and keep the money for themselves, just as Amado Padron's friends did, by making a hole in the cement until they had over \$1.23 million, not including the money that is still owed to them or the money that our "dear" former captain Rosa Maria [Abierno Gobin] was to try to get, \$500,000.

Therefore Cuba's credibility could be weakened, not only in the area of tourism, but in our trade relations. Happily, Ochoa was unable to get the participation of that messiah, who was supposed to promote the development of tourism in Cuba by giving us millions of dollars so that we could build hotels and buildings and develop this country.

The money laundering business in Cuba, invented by Ochoa and his friend, never became a reality because how could they make drug trafficking money compete with clean money obtained elsewhere through other means, the money we are currently using to develop tourism with great efforts from our people.

I would like to know how many hours of voluntary work these "distinguished characters" from the MC have offered.

Therefore, it is evident that these incidents have resulted in continuous and serious campaigns of discreditation and humiliation against our country, many of our citizens, and even against our commander in chief, the Ministry of the Revolutionary Armed Forces, and other prestigious leaders of the Revolution.

Could you imagine denying our entire lives at all costs any relationship between General Raul Castro and drug trafficking and then, all of a sudden, the enemy points to an active captain of the Armed Forces saying: Look, here he is with Pablo Escobar.

How can a captain of the Armed Forces in any civilized or organized country leave his country, pass through Panama, go to Colombia, get to Pablo Escobar's house and talk to him? Could someone believe, after seeing that, that he was not sent there by Raul Castro?

But no, it had not been Raul Castro, but instead a powerful MININT department, chock-full of drug traffickers who—breaking all laws, taking advantage of all the privileges that I referred to before, scoffing at all of this country's immigration laws and all customs requirements—issued passports and allowed anyone they wanted to enter or exit the country. This is how Martinez managed to leave.

I ask myself: Does anyone believe the story that Martinez left without the authorization of the FAR Ministry? That is very hard to believe!

But the powerful contacts of Tony de la Guardia made possible all violations in this as well as in the other cases.

So that the comrade lawyers can have this clear in their minds, I consider that none of the defendants is able to claim before this court that he has simply been obeying orders. Section 2 of Article 25 of the Penal Code, which refers to exemptions falling under the call of duty, reads: "Due obedience is that which the law compels people to follow, as long as the action taken is within the purview of he who orders the action and within the obligations of he who accomplishes the action." Need I elaborate further? I do not think so.

Defendants Ochoa Sanchez, La Guardia Font, Padron Trujillo, Lago Arocha, Estevez Soto, Ruiz Poo, and Sanchez Lima are also considered guilty of a separate crime of illegally possessing and bearing firearms, and

this is being stated here. This crime and its punishment are covered in subparagraphs 1 and 2 of Article 211 of the Penal Code. As investigator Lieutenant Colonel Pedro Lugo explained yesterday, more than 130 firearms were confiscated from the defendants.

Many of these gentlemen were collectors of firearms: They had 10, 8 pistols, 6 revolvers, and AR-15 and M-16 rifles.

Aside from what investigator Lugo was saying yesterday—that these homes were prime targets for burglars, as they contained several color television sets, videocassette recorders, and other items that attract thieves—the burglars would have found a stash of pistols and rifles. All in all, the burglars would have found 10, 12 pistols, 3 rifles. Who knows! They would have found more than 100 firearms.

All of these men were MININT officers until recently, and they know that no one is authorized possession of a firearm—except a regulation service weapon—without a permit. However, they considered themselves above everything: above the people, above the law. They felt that they were immune to everything; the position they held had gone to their heads. Why should they go to the trouble of getting a permit to carry a firearm? That was unnecessary; they were members of the MC.

Nevertheless, even though the facts are known to all and the amount of weapons seized from each defendant is listed in the record, this prosecuting office did not include or lodge charges and does not plan to request any punishment for this crime because the scope of the other charges against the defendants is serious enough.

Additionally, Comrade President and members of the court-martial, defendants Ochoa Sanchez, Patricio de la Guardia Font, and Antonio Rodriguez Estupinan are guilty of the crime of abuse of power that is outlined, along with its punishment, in Article 13, subparagraphs 1 and 3 of the code of military crimes. This crime is compounded by Article 37-D of the same law, because these actions were committed during a state of war. These gentlemen are guilty of this crime because they exercised functions without the authority to do so and overstepped the bounds of their posts repeatedly and for personal interests, causing serious harm to the interests of the FAR and the MININT.

Concerning Ochoa, and this extends to Antonio Rodriguez Estupinan, and to defendant Patricio de la Guardia—as hard as it is to believe this—as we explained in the introductory part of this report, these accused people forgot they were living in a country at war; they forgot about the thousands of combatants who were risking their lives to defend Angola, and to honor and continue the heroic tradition of our international combatants. Meanwhile, in Luanda there was serious concern for the elephant tusks, the diamonds, the timber, the oil, the salt, the Candonga. Luckily, these men did

not directly handle the operations. In the south, the FAR General Staff and General Leopoldo Cintras Frias were capable of leading our troops to the incredible Cuito Cuanavale victory to triumphantly march toward the Namibian border and force the South Africans to sit at the negotiating table.

Of course, had those troops been directed by these generals, we would probably still be in Huambo or returning from Luanda defeated, because one cannot have two heads—one to think about the war and a second one to think about the businesses, the Candonga, the salt, and so on.

The naive argument has been raised here that part of this activity had been carried out because the general in charge of the Cuban military mission in Angola was determined to build an airport, an airport by collecting pennies, an airport worth thousands, and tens of thousands, and hundreds of thousands of dollars was going to be constructed with the results obtained from collecting kwanzas, from the businesses on the black market and with foreign smugglers. Such a statement is so naive that it is not even worth using as a justification.

Obviously, the actions of these two former generals, with the always efficient cooperation of assistant Antonio Rodriguez [Estupinan], made it possible to perpetrate this crime, to our shame.

They attempted to degrade 13 years of Cuban military activity in defending Angola. Luckily, Cuba's prestige is far greater than that of two generals who were incapable of fulfilling their responsibility. Perhaps that explains why neither of them is a general today, why neither of them belongs to the organizations to which they once belonged.

Mr President, it is our professional duty to recognize that there are extenuating circumstances for all of the accused, especially, their good conduct prior to the charges, as stated in subparagraph A of Article 52 of the law on military crimes. Even in the cases of Ochoa, the De la Guardias, and other defendants, other extenuating circumstances theoretically apply. These include heroism and actions that have benefited the fatherland. But at the same time, and as shown by overwhelming evidence, there are also aggravating circumstances from a moral and political viewpoint.

The high rank of Ochoa and the De la Guardias makes the situation more serious. The aggravating circumstance is that the crimes were committed while the defendants were superior officers, as established in Paragraph C of Article 53 of the law on military crimes.

Considering the extreme gravity of the charges, the serious threat to society posed by the defendants, and the penalties established for the crimes of which they are accused, I request of this court the death penalty for defendants Arnaldo Ochoa Sanchez, Antonio de la

Guardia Font, Jorge Martinez Valdez, Amado Bruno Padron Trujillo, Antonio Sanchez Lima, Alexis Lago Arocha, and Eduardo Diaz Izquierdo. I clarify to the court that I exclude defendant Patricio de la Guardia Front from this, because in reality he neither committed nor was linked to the most serious crimes in this indictment, which are drug trafficking and treason against the fatherland.

On the other hand, we can charge Patricio with the aggravating circumstance that he learned of his brother's conduct, of the actions committed by Tony de la Guardia, and of the drug trafficking in our country, but he lacked the moral courage and integrity of a revolutionary general to denounce them.

I request 30 years imprisonment for defendants Patricio de la Guardia Font and Rosa Maria Abierno Gobin, 25 years imprisonment for defendants Gabriel Prendes Gomez, Leonel Estevez Soto, Miguel Ruiz Poo, and Luis M. Pineda Bermudez, and 15 years imprisonment for defendant Antonio Rodriguez Estupinan.

I also request, Comrade President, the additional punishment of the confiscation of all the property that was acquired directly or indirectly as a result of the defendants' crimes.

I have finished, Mr President.

Perez de Cuellar Reacts

PA1007190189 Madrid EFE in Spanish 1819 GMT
10 Jul 89

[Text] Madrid, 10 Jul (EFE)—UN Secretary General Javier Perez de Cuellar indirectly urged Cuban President Fidel Castro to commute the death sentences given to former Cuban General Arnaldo Ochoa and three other officers charged with drug trafficking and high treason.

In an interview granted to EFE, Perez de Cuellar said that, although "I strongly repudiate the crime," since drug trafficking is "a very serious offense" against humanity, "one can hardly deny anyone the right to live."

Asked about whether he would urge Castro to commute the sentences against Ochoa and the other three defendants, Perez de Cuellar said: "We usually call for mercy... for humanitarian reasons" so that our call is not taken as "interference" in the affairs of other countries. Perez de Cuellar also said he did not know whether or not the Cuban president has the power to grant a pardon.

Perez de Cuellar, who said he is not among those who support the death penalty, pointed out that he is a lawyer and that, as such, he always considers the possibility of a judicial error.

The Cuban Council of State, chaired by President Castro, today rejected a commutation of the death sentences against Ochoa, former Captain Jorge Martinez, former Colonel Antonio de la Guardia, and former Major Amado Padron.

Pope Requests 'Mercy'

PA1007195389 Madrid EFE in Spanish 1839 GMT
10 Jul 89

[Excerpt] Havana, 10 Jun (EFE)—Pope John Paul II has asked the Cuban Government for mercy for the four military officers sentenced to death for drug trafficking and high treason, EFE learned today from a reliable source.

The diplomatic representative to the Holy See in Havana declined comment on this, although the source said that the mercy plea was delivered to the Cuban authorities.

They added that the request for commutation of the death sentences confirmed today by the State Council chaired by President Fidel Castro is based on "humanitarian reasons."

The officers sentenced to death are General Arnaldo Ochoa, Colonel Antonio de la Guardia, Major Amado Padron, and Captain Jorge Martinez of the Revolutionary Armed Forces [FAR]. All were demoted and discharged from the FAR.

Political observers in Havana were awaiting the pope's plea for mercy for the main defendants in the drug trafficking scandal, as this request for mercy has been made by the Vatican in other capital punishment cases in other countries.

Diplomatic sources alluded to the possibility that if the pope's mercy plea is turned down, this may affect the climate surrounding the visit of Pope John Paul II to the Caribbean island scheduled for 1991. [passage omitted]

Former General Comments

PA1007175189 Madrid EFE in Spanish 1319 GMT
10 Jul 89

[Text] Madrid, 10 Jul (EFE)—With the trial of the military officers charged with drug trafficking, the Cuban Government has begun a "political purge against reformist elements," former Cuban General Rafael del Pino says in an article published today by the Madrid daily ABC. Del Pino, former chief of the Cuban Air Force in Angola, defected from Cuba to the United States in May 1987. He believes the Cuban regime has staged a dual-purpose operation with the trial of General Orlando Ochoa, who has been sentenced to death along with three other high-ranking military officers.

The first objective, Del Pino maintains, is to dismantle groups within the Armed Forces that seem to like the political-economic reforms under way in other communist countries like the Soviet Union, Poland, and Hungary.

"I have received reliable reports from comrades in Cuba on the Castro brothers' fear of the development of a consensus within the leadership favoring the reforms being implemented in other communist countries," Del Pino said.

Del Pino thinks that "everything seems to indicate" that Ochoa and former Transportation Minister Diocles Torralba represent the vanguard in this movement. "Anyone who 'knows them knows perfectly well that it is virtually impossible to think that they could be linked to drug trafficking.'"

Del Pino adds that it would have been impossible to carry out for years actions such as those attributed to the accused, "as has been reported, without the consent and at the direct orders of Fidel Castro."

According to the former Cuban general, Arnaldo Ochoa and Diocles Torralba were known in Cuba as "independent-minded people." Torralba, he said, favored major economic reforms.

The Fidel Castro government charged these men with drug trafficking to purge the "two men who, because of their positions, experience, and prestige, could lead a major opposition movement inside Cuba," Rafael del Pino explained.

In addition, in view of the difficulty to "continue denying" its links with drug trafficking, the Cuban Government is thus "cleaning up" its image with this trial by admitting the guilt of some corrupt officers, Del Pino added.

According to the former Cuban general, there is no doubt about the involvement of the Cuban Government at the highest levels in international drug trafficking as a way to make money and to undermine U.S. society.

The intensification of the international fight against drug trafficking has lead the Cuban regime to "present a justification" before its involvement is discovered, Rafael del Pino says in the article.

Gen Arnaldo Ochoa, Colonel Antonio de la Guardia, Major Amado Padron, and Captain Jorge Martinez, the main figures in the so-called "Cuban connection," have been sentenced to death.

Raul Castro Presides Over Military Graduation
FL1007151989 Havana Tele-Rebelde Network
in Spanish 1100 GMT 10 Jul 89

[Text] Army General Raul Castro, second secretary of the Central Committee of the Communist Party of Cuba [PCC] and minister of the FAR [Revolutionary Armed Forces], has presided over the military education centers' graduation ceremony entitled, 36th Anniversary of the Assault on the Moncada Barracks Promotion.

Afterwards, Raul spoke with a group of graduating cadets who received the Gold Medal and Diploma. [Video shows Raul Castro and Vilma Espin, member of the PCC Politburo, speaking to cadets.] Raul also presented an award to the Pioneer who won the "Friends of the FAR" competition and he asked about her studies.

In speaking with the graduates, Raul congratulated them and he said that the Revolution has complete confidence in the new generation of combatants who are a worthy continuation of our most beautiful tradition.

[Begin recording] [Raul Castro] I wish all of you a happy and well-earned vacation. You will one day be the ones leading the Armed Forces in the 21st century. I send you an embrace from Fidel and from me, and I send the girls a pair of kisses. Until next time. [applause]

[Unidentified cadet] Long live [words indistinct]!

[Unidentified cadets, in unison] Viva!

[Cadet] Long live Army General Raul Castro!

[Cadets] Viva!

[Cadet] Long live Commander in Chief Fidel Castro!

[Cadets] Viva!

[Cadet] Long live the PCC!

[Cadets] Viva!

[Cadet] Fatherland or Death!

[Cadets] We will win! [end recording]

During this ceremony, more than 1,000 cadets graduated as FAR officers who trained as command cadres, engineers, technicians, doctors, and other specialties.

Luis Bel Perez Rojas, winner of the "Friends of the FAR" contest conveyed greetings on behalf of the Jose Marti Pioneer Organization.

Juan Rodriguez Cabrera, member of the National Bureau of the UJC [Union of Young Communists] also congratulated the recent graduates.

In his closing remarks, Jorge Lezcano Perez, member of the PCC Central Committee and first secretary of the Havana City Province PCC, said that those youths in Revolution Square demonstrated their loyalty to Fidel and the Revolution.

Delegation Returns From DPRK Youth Festival
FL1007160489 Havana Tele-Rebelde Network
in Spanish 1100 GMT 10 Jul 89

[Text] The first group of Cuban delegates that attended the 13th World Festival of Youths and Students returned last night to Havana. The group that returned to Cuba is comprised of 127 delegates and special guests who said that those who participated in the Pyongyang event stressed the need to make our planet a world of peace.

Havana To Host Tripartite Meeting in September
FL1007232489 Havana Tele-Rebelde Network
in Spanish 1700 GMT 10 Jul 89

[Report by Eduardo Dimas from Luanda, Angola]

[Text] Greetings, television viewers. The fourth regular meeting of the Tripartite Commission [Cuba, Angola, South Africa] was held on 7 and 8 July in Luanda, Angola. The purpose of the commission is to verify the fulfillment of the agreements on southwest Africa which were signed on 22 December in New York.

The Cuban delegation was headed by Cuban Foreign Vice Minister Ricardo Alarcon, the Angolan delegation by Deputy Foreign Minister Venancio de Moura, and the South African delegation by [words indistinct] General Director Neil Van Heerden.

The participants made a detailed analysis of the progress achieved in the implementation of UN Resolution 435 for Namibia's independence. The parties discussed the progress that has been made since the signing of the Tripartite Agreement. The South African delegation reiterated its willingness to fulfill its agreements and reported that it has already reduced the number of its soldiers to 1,500 who are stationed in two bases. However, it is evident that the active presence of the repressive forces of the [words indistinct] makes difficult the free development of the electoral process difficult, especially in northern Namibia. The personal representative of UN secretary general for Namibia, Martti Ahtisaari has announced that measures are already being taken to increase the number of UN police in Namibia in order to resolve that situation. He also said that the process of registration for electors has already begun for the November elections. He added that, to date, approximately 14,000 refugees have returned to Namibia—a relatively low number which does not correspond to the anticipated figure.

For its part, the Cuban delegation reported on the number of internationalist soldiers who have returned to our country, over 13,000—a number that is higher than what was scheduled up until this date and which increases daily. The Cuban delegation emphasized the

responsibility of the UN Security Council in the implementation of Resolution 435 and pointed out that the Tripartite Commission can at no time whatsoever, substitute the United Nations in its fulfillment of that responsibility.

As it is normal by now, the meeting was also attended by [words indistinct] U.S. delegations, as observers; and were headed by Soviet Foreign Minister Anatoliy Adamishin and Herman Cohen, U.S. assistant secretary of state for African affairs, respectively.

All parties termed as positive the results of this meeting. The next meeting of the Tripartite Commission will be held in Cuba next September.

Group of 77 Action Committee Meets in Havana
FL1007220889 Havana Radio Reloj Network
in Spanish 1932 GMT 10 Jul 89

[Text] Representatives of the Group of 77 Action Committee for cooperation in construction and engineering, a group which is headed by Cuba, met today in Havana.

The goal of the meeting was to review the work carried out since the last meeting and to agree on future tasks. Engineer (Erget Gomez), [word indistinct] president of the committee for Cuba, reported on the work carried out by the institution. The institution also approved a report on the work done by (Gomez) which will be presented at the next meeting in Kuala Lumpur, Malaysia. That will be the seventh meeting of the intergovernmental follow-up and coordination committee for economic cooperation among developing countries of the Group of 77. One of the main objectives of the Group of 77 is to use to its fullest potential its advisory capabilities and to encourage operations dealing with construction materials.

Jibara Dam in Holguin in Testing Stage
FL1007163989 Havana Tele-Rebelde Network
in Spanish 1100 GMT 10 Jul 89

[Text] The Jibara Dam is undergoing testing during its final stage of construction. When it becomes operational, the water situation for domestic and industrial use will notably improve for the residents of Holguin. Pumping tests are currently being conducted in the first 2 km of pipes and on the joint in the last pipe next to the water purifier.

The project, which is in its final stage, is valued at approximately 3 million pesos and includes a station with three provisional turbines which can add 180 liters of water a second to the hydraulic system.

The size of the Jibara Dam, which exceeds 65 million cubic meters, will meet a great need for the precious liquid in the city of Holguin since the current sources of water, Cacoyuguin and Guirabo, have been greatly affected by the drought in that territory.

Woman Gets 18-Year Sentence for Sabotage
FL1007224189 Havana Tele-Rebelde Network
in Spanish 1300 GMT 8 Jul 89

[Text] Dissatisfied with the jury's verdict, the prosecutor for the case of Maria Cristina Garcia Bello—who had been sentenced to 13 years imprisonment for sabotage committed against the capital's telephone company—has filed an annulment recourse with the highest judicial organ, and the recourse has been accepted thus revoking the previous sentence.

The People's Supreme Tribunal decided to accept the annulment recourse and revoked the Provincial Tribunal's decision on the trial because, it considered that given the seriousness of the actions, a more rigorous punishment should be applied. Therefore, the highest organ of justice has sentenced Maria Cristina Garcia Bello to 18 years imprisonment.

Caribbean Affairs

Reportage on Caricom Heads Meeting in Grenada

Panamanian Delegation Seeks Support
FL0507203089 Bridgetown CANA in English
2054 GMT 4 Jul 89

[Text] St George's, July 4, CANA—The main opposition candidate in Panama's annulled May 7 presidential elections Dr Guillermo Endara has sent a three-man delegation to Grenada to seek moral support from Caribbean Community (Caricom) heads of government now involved in their 10th summit meeting. Delegation head Aurelio Barria told reporters on Tuesday that the intention of the mission is to get a "clear and firm support" from Caricom member states on the crisis in Panama.

The Central American country was plunged into a deep political crisis after military strongman General Manuel Noriega canceled the elections in which Endara was leading.

Barria said that the opposition to General Noriega regards Caricom as an "important block" and "important voice" in the Organisation of American states (OAS). He was hopeful that regional leaders would reach a "consensus position" which they can then take to the July 19 meeting of OAS foreign ministers.

Barria also made reference in the news conference to a message sent by Endara to Caricom heads who are due to look at the Panama issue during their deliberations. "...The message conveys our sincerest thanks and gratitude for the leadership taken on the Panamanian people's plight by several of the heads of states in attendance and especially Prime Minister Michael Manley of Jamaica," a statement from Endara said. "The message conveys the resolve and the will of my people to end the reign of corrupted dictatorship and terror brought down on us by Noriega," it added.

The Panamians stressed that the message was also seeking continued support from Caricom on the return to the rule of law and democracy in the strife-torn Central American country. Barria praised the regional heads for putting Panama on their agenda even though the country is not a member of Caricom.

He spoke of already holding separate meetings with several of the heads but was not sure whether the delegation would be invited for a session with the prime ministers. "It would depend on their willingness (to meet with us) but it is not on the agenda," he said. Barria was however, optimistic that there would be a "good result" from the Caricom meeting in terms of support for the anti-Noriega forces in Panama.

Caricom Condemns Panama Elections

FL0507151089 Bridgetown CANA in English
2341 GMT 4 Jul 89

[Text] St George's, Grenada, July 4, CANA—Caribbean Community heads of government issued the following statement on Tuesday night on the situation in Panama.

"The heads of government of the Caribbean Community today discussed the situation in Panama resulting from the annulment of the elections in that country in May 1989. The heads of government strongly condemned this unwarranted assault on the democratic process by the military."

They expressed their firm support for the efforts of the Organisation of American States to cooperate with the steps being taken by the people of Panama to return expeditiously to the democratic path through dialogue, consensus, and a transitional arrangement to replace the existing regime and establish a framework for free, fair, and properly conducted elections.

The heads of government reiterated their conviction that the problems in Panama should be resolved without foreign intervention. They proposed that all economic and other sanctions imposed against Panama should be withdrawn as soon as acceptable transitional arrangements have been established. They called for total respect for the national sovereignty of Panama and for full and unconditional respect of the provisions of the Panama Canal treaty of 1979.

Reforms Urged for Haiti, Panama

FL0507170089 Bridgetown CANA in English
2027 GMT 4 Jul 89

[Text] Nassau, July 4, CANA—Bahama's Prime Minister Sir Lynden Pindling is putting proposals to bring democratic reforms to Haiti and Panama at the meeting of Caribbean Community (Caricom) heads in Grenada. "We would support any substantive effort by the leaders

of the Community to put both Panama and Haiti firmly on the road to democratic forms of government free from military influence and intimidation," Pindling said in an official statement.

Among his proposals are for the removal of all economic sanctions against Panama and for Caricom to work with Haiti to bring about democratic reforms and economic stability. "It is the view of the Government of the Bahamas that the situation in Panama could be favourably resolved if all parties concerned, local and foreign, recognised and showed due respect for the Constitution, laws, and institutions of Panama," Pindling said.

"Accordingly we would wish to propose the following seven steps:

1. That all economic sanctions against Panama be withdrawn as it is unreasonable to expect the political landscape of Panama to return to normalcy if the economic waterfront remains in turmoil.
2. That General Noriega recognise and respect those provisions of the Panamanian Constitution which have required him to retire from the Panamanian Defence Forces.
3. That all concerned and interested persons, both local and foreign, recognise and show respect for the human rights of General Noriega and withdraw and abandon any call or requirement for him to leave his native land.
4. That General Noriega, as an officer and a gentleman, pledge to and do in fact, relinquish whatever control he may have over the Panamanian Armed Forces and political institutions and allow a normal transition of power to an elected government to take place.
5. That, in return, local and foreign interested parties, guarantee General Noriega's personal safety in Panama.
6. That the political parties in Panama be given every assistance by us, if requested, in their effort to bring about a smooth transition of power within the time-frame set by Panama's Constitution.
7. That the newly-installed Government of Panama proceed to plan an early general election for the Panamanian Congress."

As regards Haiti, Pindling suggests that the report of a four man Caricom mission to that country by considered favourably by heads of government at the conference. "It is the hope of the Government of Bahamas that the report receive favourable consideration because it is time for the human and economic blood-letting in Haiti to stop," Pindling declared.

"As leaders and neighbours in this region, there is no way that we would continue to sit idly by and allow the immense suffering to continue even as Haiti sinks deeper and deeper into isolation, poverty, and despair," the Bahamian leader said.

He proposed that:

1. The Caribbean Community should agree to give Haiti a chance and work with her to bring about democratic reforms and economic stability.
2. The present Government of Haiti should be recognised and regarded as an interim government which should be encouraged to irrevocably put in place the basic institutions and infrastructure for a democratic society.
3. The Haitian Government be persuaded to agree to put such infrastructure in place within a given time-frame.
4. The Haitian Government be encouraged to agree to conduct free and fair elections at the end of that given time-frame.
5. The international community support the above-named efforts and put in place a ten-year programme of technical support and economic assistance administered by agencies of the United Nations, The Organisation of American States and the Caribbean Community.

Avril Invites Leaders to Haiti

FL0607173389 Bridgetown CANA in English
1646 GMT 6 Jul 89

[Text] St George's, Grenada, July 6, CANA—St Lucia's Prime Minister John Compton says the Caribbean Community (Caricom) is putting the pledge of the Prosper Avril regime in Haiti to move toward democracy to the test.

The Caricom leaders, now meeting here, on Wednesday issued a statement on Haiti announcing that the foreign ministers of the Bahamas, Jamaica, St Lucia, and Trinidad and Tobago would visit Haiti in response to an invitation from the Haitian Administration. [Words indistinct] follow a Caricom fact-finding team which [words indistinct].

"If the Haitians do not do something to honour their pledge then Caricom could have gone as far as it could go," Compton said in an interview with CANA. The St Lucian leader said that the decision by the heads was not to be interpreted as formal recognition by the 13-nation regional grouping of the current military regime headed by General Avril.

"We are using the Avril letter of invitation as a matter of diplomatic courtesy and nicety. We could not go into Haiti without their permission. We use that to have an entree with the Haitian people," he explained. "We are just accepting the fact that he (Avril) has the control," Compton added.

On Panama, Compton said he was unsure exactly what role Caricom could play in helping to resolve the situation there.

"We are in a particularly good position in being democratic nations without any history of military dictatorship so we can take the moral high ground and use that as our only armour to urge the Panamanian people," Compton said.

He continued: "Another thing is the psychological impact, that the Panamanian people know they are not standing alone, that they have 13 countries in the Caribbean that will stand with them." Compton said the heads of government statement on Panama was "conditional." "It's not a blank cheque," he declared. "Everything we do now is conditional on people getting back on the democratic road."

In a one-page statement on Panama issued on Tuesday, Caricom leaders condemned the annulment of last May's elections there as an "unwarranted assault on the democratic process by the military." They also reiterated that the problems in Panama should be resolved without foreign intervention and proposed that all economic and other sanctions imposed against the Manuel Noriega regime be withdrawn as soon as acceptable transitional arrangements were established.

"If there are talks with the Noriega government and there's some sign that they are prepared to go back to the democratic process then the sanctions are no longer necessary. The sanctions are now against the people really," Compton told CANA.

Leaders Endorse Disaster Relief

FL0807023089 Bridgetown CANA in English
1426 GMT 7 Jul 89

[By George Worme]

[Text] St George's, Grenada, July 7, CANA—Heads of government of the Caribbean Community (Caricom) have endorsed a Barbados proposal for a regional institution to be set up to take care of emergency disaster relief. Caricom Secretary-General Roderick Rainford told reporters on Thursday night that the proposal was approved without hesitation.

"It was enthusiastically endorsed and a mandate has been given for the necessary detailed arrangement and design and development of the programme to bring that scheme into effect," he told reporters.

According to Rainford the [word indistinct] is to have some kind of "institutional arrangement" put in place which can automatically become effective whenever a member state is affected by a disaster. He pointed to the massive out-pouring of regional aid which went to Jamaica when that Caribbean island was dealt a massive blow last year by Hurricane Gilbert.

"The idea is that this sort of response should be done in the future on a programmed (basis) rather than on an ad hoc basis", he said.

Rainford indicated that the Georgetown-based Caricom Secretariat would now have to try and put together the necessary expertise to come up with the right kind of scheme. He said that the Antigua-based pan Caribbean disaster preparedness project VT [no further expansion provided] definitely has a role to play in this.

He spoke of the need for those to be involved in putting together the scheme to determine whether there is need for "a new large organisation" or whether there should be "a networking arrangement between existing organisations" in the various member states.

The Caricom secretary-general also announced that the regional leaders endorsed "fully and strongly" the Port-of-Spain Accord on the management and conservation of the Caribbean environment. The accord was issued after the first-ever Caricom ministerial [words indistinct] which took place from May 31-June 2 in Trinidad and Tobago. Ministers mandated the Caricom Secretariat to arrange consultations and negotiations with donor agencies for support to Caribbean environmental programmes and projects. There was also a recommendation for Caribbean governments to establish arrangements which would permit an integrated approach to environmental management at the political, technical, and administrative levels.

Rainford described the Port-of-Spain Accord as one that is not a matter of rhetoric but rather "a programme statement which sets out the philosophical and policy under-pinnings of their outlook on environmental issues in the region."

The environmental ministers also outlined a number of areas where they felt urgent strategies needed to be developed for quick action. These included housing and human settlements, prevention and mitigation of the affects of oil spills, solid and liquid waste management, and air and noise pollution.

Appeals Court To Be Discussed
FL0807023989 Bridgetown CANA in English
2213 GMT 7 Jul 89

[By Sandra Batiste]

[Excerpt] St George's, Grenada, July 7, CANA—Three of the 13 Caribbean Community (Caricom) member states—Trinidad and Tobago, Barbados, and Jamaica—have

agreed to push ahead with the establishment of a Caribbean Court of Appeal, official sources at the Caricom summit here reported Friday. The door has been left open for the other Caricom countries to join at a later date.

Several Organisation of Eastern Caribbean States (OECS) countries have balked at having to amend their constitutions, as well as have a referendum, in order to secure approval for participation in the regional court.

The new court, to replace the use of the British Privy Council, will have its headquarters at the posh Hall of Justice complex in Port-of-Spain, sources said. The Caricom Secretariat is to draft an inter-governmental agreement for the regional court to be put in place.

The Court of Appeal was one of the agenda items discussed by the Caricom leaders at the Friday caucus which ended shortly after 1:00 p.m. [passage omitted]

Leaders To Stay for CDU Meeting
FL0607161989 Bridgetown CANA in English
1556 GMT 6 Jul 89

[Text] Kingston, Jamaica, July 6, CANA—The leader of the opposition Jamaica Labour Party and head of the Caribbean Democrat Union [CDU], has confirmed that he will be attending a meeting of the CDU to be held in Grenada later this month.

Seaga told the GLEANER newspaper that he was waiting for the exact date to be decided.

Asked if he was attempting to resolve the reported conflict within Grenada's ruling New National Party [NNP], Seaga said: "Any matter that may arise in connection with any problems that exist there would be discussed at the Caribbean Democrat Union level and I would not want to discuss such matters outside the CDU."

It was reported on Wednesday that Seaga was to spearhead efforts in Grenada to resolve a rift between Grenada Prime Minister Herbert Blaize and the new political leader of the ruling NNP Dr Keith Mitchell.

The meeting is being planned to coincide with the end of the Caricom [Caribbean Community] heads of government meeting currently underway in Grenada. A number of heads of government who belong to the CDU are in Grenada for the Caricom summit and are expected to remain there for the CDU meeting.

Haiti

PDCH's Claude Wants Protests at U.S. Embassy
FL1007134389 Port-au-Prince Radio Metropole
in French 1045 GMT 7 Jul 89

[Excerpts] Today is the 12th day of the hunger strike by the three Haitian officers imprisoned in the United States. Sylvio Claude expresses his indignation and castigates the leaders who have kept their mouths shut about this matter. [passage omitted]

The imprisonment of Biamby, Rebus, and Qualo since last April has already attracted the attention of certain Haitian political leaders, who have all criticized this imprisonment. Today, a new voice is heard condemning this situation—that of the president of the PDCH [Haitian Democratic Christian Party], Pastor Sylvio Claude. [passage omitted] The detention of the three putschist officers is illegal and in flagrant disaccord with the beautiful ideas of democracy put forth by the U.S. Government, says Pastor Claude, who calls on the population to express its displeasure to the U.S. Embassy in Port-au-Prince.

[Begin Claude recording, in Creole] [Passage omitted] How can a man who is really Haitian in the soul, who is nationalistic, stand to sit there and watch something like this, eat at the U.S. Embassy, shake hands with the U.S. ambassador, who is a terrorist? I say that the U.S. ambassador is a terrorist! This guy went and made a bunch of vile statements against Haiti before the Congress. All Haitians heard him. Yet we are still (?talking) to such a man, to such a criminal! [passage omitted]

I am asking Haitians, those who still have some nationalistic feelings.... [changes thought] It doesn't matter who the Haitians are. It doesn't matter who the officers are. It doesn't matter who Qualo, Biamby, and Rebus are. It doesn't matter what their ideology is, or what their political positions are. What we know is that there are three Haitians who have committed no crime in the United States who are in prison in the United States.

We ask Haitians to do everything they can to protest in front of the U.S. Embassy, against the U.S. ambassador: to write, to send letters, to protest, to ask them to get these men out of this. If we let them get away with this, they will do whatever they want to any Haitian. [end recording]

UCH's Roy's Residence Reportedly 'Attacked'
*FL0807154989 Port-au-Prince Radio Antilles
Internationales in French 1730 GMT 7 Jul 89*

[Excerpts] Less than 24 hours after the murder of Gregory Delpé, Mr Jean-Claude H. Roy [Union of Haitian Constitutionnalists, UCH, official] was attacked by unidentified armed men, who first threatened him over the telephone. They then appeared at his residence 3 hours later. The bandits fired on Mr Roy's residence, but no one was wounded. Here are his statements to one of our reporters.

[Begin recording, in Creole] [Roy] The insecurity is taking a different turn now. I can tell you, it's something for everyone to be alarmed about. It is even frightening, because the perpetrators have the nerve, the insolence, the arrogance to call you on the phone and tell you they are coming—as indeed they did come. After a brief exchange of fire, they left. Then, an hour later, they came

back! I think this shows a certain amount of determination on the part of these individuals. If this is vandalism, if these are thieves, well, then, friend, these are incredibly determined thieves!

I think this is linked to politics to some extent, because I see that for the past few days now, after the president said that he had the situation under control—and indeed, things had calmed down for some 3 days or so, and there had been fewer crimes reported—well, now these people [not further identified] are back and have begun striking more than before.

There have been three important fires (?this week), and regarding the fires in Cap-Haitien, we know that they had told people in Cap-Haitien they were going to set fires—and they did indeed do so. Thus, I attribute what happened at my house last night [few-second break in transmission] chance. This is not the first time this has happened, I admit. But this time, I felt there was a certain amount of determination involved.

That is why I am making statements. I have made a statement to the police, and I am making statements over the radio, especially—in order to warn people not to take these things lightly. Things are indeed really taking an alarming turn for the worse.

[Reporter] Jean-Claude Roy, did they manage to get inside your house? And if yes, what did they take?

[Roy] No. I must explain to you that my house is not easy to get to. [passage omitted] So, we were given notice at around 2000 or 2030 [on 6 July] that they were coming. I took preventive measures. I called a security company. Since they are friends, instead of sending me a single guard, they sent me two extra guards. [passage omitted] They quickly sent two extra guards, armed and with radios, to my house to provide security. Thus, as of around 2130 or 2200 when these other guards arrived, everybody was on the alert and waiting. We were waiting. We knew. I mean, we didn't actually know—we weren't certain—but everyone was aware that it could happen. And indeed, they did come, acting like bigshots.

From the time they entered the road leading to my house.... [changes thought] It is a rough, dirt road that can do in any car; therefore, you can hear cars coming. They weren't going slowly. They were making noise, so you could hear them coming. Furthermore, they were firing as they came. They fired off two or three shots; so, all the guards at my house were now forewarned. I had time to come out of my room and join the guards. I asked them: Was it you who fired? They said no, it hadn't been them, that it was the vehicle coming down the road. And this car went on down along the fence along my property. My property is a rather long one. There is a wall some 150 meters long, quite long. Although the property is not all that big, the wall is very long. And they came on in alongside my wall, and I must tell you that it's a dead

end. So, these guys were really quite determined, because you can't maneuver there. [passage omitted] There is no quick way to get out. [passage omitted]

I have never wanted to kill anyone, so I felt that what we should do is try to scare them off. Since there were three guards and myself, all of us armed, we felt we should fire a volley. And indeed, we did fire off a few shots. And indeed, they did panic.

They themselves had fired off a couple of shots as if to say to the people in the neighborhood: There is something going on in the neighborhood. Don't step outside.

They came in like bigshots, and when they got fired on, they ran.

I (?have the impression) that they weren't inside the vehicle when this happened, because there was a 30-40 second interval between the last shot we fired and the sound of the car taking off. And given the way the vehicle took off, if they had still been in the car, it would have taken off before. [passage omitted] The vehicle tore away. I think that in maneuvering—because as I said, the access road to the house is not an easy one—the guy hit the horn. The horn started honking, the tires started spinning, you could hear rocks flying and so forth. They left in a burst of speed.

But what is even more astonishing is that they returned! [passage omitted] They came back at 0100, but this time they didn't come to stay. They just came to fire, in the same vehicle. [passage omitted] They fired and we fired too, but they didn't stay.

So this is why I say that things have taken a new turn, because these guys are determined, and this is what is frightening. This doesn't appear to be a simple act of banditry, a simple case of theft. [passage omitted]

And from the time the guy warned me, I saw that it was pretty much a serious warning, because the guy talked to me, and if I had to describe him, I wouldn't say he was a street type. He didn't sound like a poor person. He spoke in a firm tone. He spoke to me in Creole. He didn't panic. You could tell he had a certain educational level. [passage omitted] This guy spoke serenely and with a certain precision and a certain amount of conviction. So I immediately said to myself: Well, it never hurts to take precautions.

[Reporter] What exactly did he say to you?

[Roy] He called and asked if I was Jean-Claude Roy. I said yes. He said: We (?have a need). I said: Who are you? He said: You don't need to know. I tell you we need you. Isn't this Jean-Claude Roy? I said: Yes. He said: Well, if you are he, you don't need to know who's calling. We are telling you that we need you. We need your money, and we are coming to get it tonight at 0100. I

said: Ah, friend, you must have the wrong Jean-Claude Roy. It isn't me you want. You want someone else. He said: In any case, we're coming to your house at 0100. And hung up.

Thus, I don't think this was someone who called just to make a verbal threat over the phone. No, I think he wanted to show how far he would go—to show that he was warning you and that he really would follow through. [passage omitted]

That is precisely what makes me think this might be linked to some extent to political matters. Remember back around, I think, 5 February 1988, when we were going to Caricom [Caribbean Common Market] and they seized my passport? They also seized Turneb Delpe's. So I wondered about a possible link there. I mean, here is this incident that has just occurred at Turneb Delpe's—and, incidentally, I am really very very sorry about that incident, for he has suffered far more than I. Nothing has happened to me, whereas he has gone through something that.... [changes thought] Well, I hope it doesn't mark him forever. I mean, it's not easy you know, to be lying there on the floor next to your brother, who is dying, and telling you he is wounded and dying, and who really does die! These are really unforgivable crimes. I feel the government must do something about this! The criminals committing such crimes simply must be taken to court, and that's what makes me think there is a political side to this.

I mean, Avril makes a statement to the effect that he has the situation under control, so they come and prove to him that he does not—and they up things a notch! They come and commit crimes that are even more atrocious. These three fires that have occurred, for example, remind us a lot of the burning of the CEP [the first Provisional Electoral Council, whose headquarters was burned down]. They are very reminiscent of the burning of the Salomon marketplace, etc.

I think there is an absence of authority and that the government must understand the reality. What I would suggest to the government is.... [changes thought] For example, there was this kind of crime in El Salvador too, back when Jose Napoleon Duarte was the president of the junta, before the elections of 1984, I think. However, Duarte admitted to a certain incapacity [defaillance] on the part of the government. The government was not capable of investigating all those crimes, and what Duarte did was to call on technicians to help. I mean, instead of asking for money all the time, well friend, here we have a number of crimes being committed in the country, fires being set and so forth. I know there are capable technicians who can come and help, can provide support for the government, can come and conduct these investigations. These criminals must be hauled into court. It is in this sense that I say that there is an absence of authority.

Well, frankly, I deplore all this, and I hope other citizens will take this very seriously, and will realize that things (?are taking) a very dangerous turn and that everyone must watch out for himself any way he can.

[Reporter] In conclusion, Jean-Claude Roy, a lot of people in Haiti are saying that vigilance brigades should be formed, so as to counter this insecurity sweeping over the country.

[Roy] Yes, I think so. Of course, a vigilance brigade would require planning. The vigilance brigades shouldn't lead to increased banditry and acts of aggression. No, but I do think that if the government was willing to sit down with the private security companies, and simply permit them to help, to supplement the military where they are

lacking.... [changes thought] I also think that at the level of the neighborhood, people should have the right to organize, and that the government should recognize that right. Now, there can be specific rules—for example, that (?neighborhood brigades) cannot spill over, cannot leave the neighborhood, that a person would have to identify himself, and so forth—but I think there is a way to manage to set up vigilance brigades so that people can defend themselves.

It is not normal, not normal, for citizens to be abandoned to themselves. It is not normal for citizens to be getting massacred, tortured, and robbed and for security to be provided only to members of the Armed Forces. This is not normal. [end recording] [passage omitted]

Reportage on Gubernatorial Election Results

PRI Claims Victory in 11 States

PA0807032589 Mexico City XHTV Television
in Spanish 0205 GMT 8 Jul 89

[Text] Jose Guadarrama Marquez, general PRI [Institutional Revolutionary Party] Executive Committee delegate in Michoacan, has given assurances that his party will win 11 of the 18 electoral districts in that state.

[Begin Guadarrama recording] We have counted practically 98 to 100 percent of the votes in these 11 districts, which enables us to give assurances that we have already won 11 districts. The PRI is leading in three other states, but I cannot yet confirm whether the PRI or any other party has won. We are behind in four districts. [end recording]

Guadarrama pointed out that the PRD [Party of the Democratic Revolution] is leading in the four remaining districts. He said that the PRI will win 47.29 percent of the overall votes, against the PRD's 38.53 percent. Results from 2,065 of the 2,334 polling stations have been computed.

So far the PRI has won the following districts: the first in northern Morelia, the fifth in Zamora, the seventh in Tacambaro, the eighth in Zitacuaro, the ninth in Apatzingan, the tenth in Ciudad Hidalgo, the 13th in Jiquilpan, the 15th in Maravatio, the 16th in (Cuacolman), and the 18th in Huetamo.

PRI Victory in Chihuahua

PA0907235289 Hamburg DPA in Spanish 2259 GMT
9 Jul 89

[Text] Mexico City, 9 Jul (DPA)—The first official results of Sunday's [2 July] elections in five Mexican states were released today and show that the ruling party won in Chihuahua State in northern Mexico. According to the Mexican news agency NOTIMEX, the Institutional Revolutionary Party of President Carlos Salinas won in all Chihuahua departments.

Meanwhile, there was great expectation in Michoacan in western Mexico, where the PRI and the leftist opposition of former presidential candidate Cuauhtemoc Cardenas are each claiming victory in most departments in the legislative elections.

Mexico's regional elections drew international attention when the government party admitted for the first time in more than 60 years of absolute hegemony that there was an opposition victory. The PRI national leadership surprisingly conceded that the conservative National Action Party and its candidate, Ernesto Ruffo Appel, had won the gubernatorial elections in the state of Baja California.

Final Results Expected Mid-Week

PA1007043289 Hamburg DPA in Spanish 0400 GMT
10 Jul 89

[Text] Mexico City, 9 Jul (DPA)—More than a week after the voting centers closed in five Mexican states, the problems over establishing who won the elections as well as tension surrounding the election results continue to mount. According to NOTIMEX, the vote recount in the key states of Baja California and Michoacan continued at a slow pace late into the night amid protests and behind closed doors.

Only in the northern Chihuahua State were the official results released, confirming the victory of President Carlos Salinas de Gortari's ruling Institutional Revolutionary Party (PRI). Even after the gubernatorial elections in the northern Baja California State—which drew international attention when, after more than 60 years of absolute hegemony, the ruling party conceded loss to an opposition party—the official announcement of the results has yet to be made.

According to NOTIMEX, which cites election officials, the final results may be announced officially by mid-week. Preliminary results, released on Monday, gave victory to the conservative National Action Party, which will install its first governor in Mexican history. This was described as an unexpected turn toward a democratization of the Mexican electoral system.

In the vote count for legislative elections in Michoacan, where the PRI as well as the center-leftist Cardenista opposition are claiming victory, election officials declared a recess amid charges of irregularities, errors, and double-voting practices. National deputies of the Party of the Democratic Revolution said that they will do "whatever they must do" to claim what they regard as their election victory.

Update Shows PRI Leading

PA1007153589 Mexico City Red Nacional 13 Imevision
Television in Spanish 1315 GMT 10 Jul 89

[Text] The Institutional Revolutionary Party won in 66 of the 67 municipalities of Chihuahua State and in 17 of the 18 electoral districts. The State Electoral Commission [CEE] reported that the National Action Party [PAN] won in the 14th district of Ciudad Juarez, but that its candidate, Ramon Galindo, did not show up to receive the credentials granting him the majority of votes.

In Zacatecas, the deputies elected in the 15 electoral districts, all of them of the PRI, presented to the CEE the credentials granting them the majority of votes and announced that from 21 to 30 July a count will be conducted to designate six proportional representation deputies.

In Baja California, the municipal district committees have continued to count votes cast in the elections for governor, deputies, and municipal presidents.

The CEE only announced results in eight districts, of which five are for the PRI and three are for the PAN.

Jose De Las Fuentes Lara, CEE president, said that the PRI obtained victories in the 1st, 4th, 5th, 6th, and 15th districts of Mexicali, while the PAN won in the 9th, 10th, and 12th districts of Tijuana.

However, the PAN candidate in Baja California reported that his party has already obtained credentials for majority votes garnered in the 8th, 9th, 10th, 12th, and 13th districts of Tijuana. The electoral authorities will announce more results at noon today.

In Michoacan, some official results were announced showing that the PRI won in three districts and the PAN won in one district. The PRI won in districts 1 of Morelia, 9 of Apatzingan, and 10 of Ciudad Hidalgo. The Democratic Revolutionary Party won in the 11th district of Zacapu.

The PRD withdrew from the CEE and announced that it will not participate in the electoral reform or in the upcoming extraordinary sessions of the Chamber of Deputies. Federal Deputy Leonel Godoy made this announcement and said that his party will resort to all legal means so that its victories will be recognized.

CTM Leader Velasquez Undergoes Surgery

PA0707143689 Mexico City Red Nacional 13 Imevision Television in Spanish 1310 GMT 7 Jul 89

[Text] The Mexican Defense Secretariat has issued a communique reporting that Confederation of Mexican Workers [CTM] leader Fidel Velasquez underwent surgery at the Central Military Hospital.

The health problems of CTM leader Velasquez, 89, worsened due to a perforation on his small intestine. His doctors, however, have stated that Velasquez's condition is evolving satisfactorily.

It was also reported that there is no power struggle within the CTM in view of its top leader's health problems. CTM Secretary General Alfonso G. Calderon will be in charge of the CTM for the time being, replacing Fidel Velasquez according to CTM's statutes.

Costa Rica

Drug Trafficking Money 'Contributed' to Arias *PA1007212789 San Jose ADELANTE in Spanish* 30 Jun-6 Jul 89 p 2

[Text] In 1985, Ocean Hunter Inc., a shrimp exporting company linked to cocaine trafficking in the United States, contributed \$20,000 to the campaign of then presidential candidate Oscar Arias, United People Coalition Deputy Humberto Vargas Carbonell has reported.

Vargas Carbonell presented a copy of the check, which has the endorsement of Oscar Arias indicating that the check should be deposited in Account No 33000-16. The check is dated 7 February 1985 and is drawn against the Consolidated Bank in Miami, Florida. The check is signed by the company owner Francisco Chanes.

A few days ago, Arias Sanchez admitted he had received funds from people linked to drug trafficking. However, he refused to give the names of the people who issued the checks.

The foreign financing from which the two majority parties benefit was proven last weekend when Former Transportation Minister Guillermo Constenla, the PLN [National Liberation Party] treasurer, admitted during the recent campaign that he received 3 million colones from the Panamanian ruling party.

Ocean Hunter, Inc. is a shrimp exporting company with offices in Miami. It is owned by exiled Cuban Francisco "Paco" Chanes, who is suspected of attending meetings during which the La Penca attack was planned. Ocean Hunter had a contract with the U.S. State Department to supply the Nicaraguan contra organization Kisan [Unity of the Nicaraguan Atlantic Coast Indigenous Peoples] South. Ocean Hunter used its Costa Rican subsidiary, Frigorificos de Puntarenas, for this purpose. This subsidiary is managed by Moises Dagoberto Nunez, a stateless Cuban resident in Costa Rica.

The Cristic Institute, an independent U.S. organization, had charged Ocean Hunter, Inc., and Frigorificos de Puntarenas with shipping cocaine to the United States. According to the aforementioned institute, boats transporting shrimp are particularly suitable for shipping cocaine because seafood is packed in refrigerated containers and the seafood would spoil if the containers were opened. Customs inspectors usually do not open such containers out of fear of million-dollar lawsuits for damages.

It seems shrimp exporting companies were part of a criminal network established by former White House adviser Oliver North and his assistant Robert Owen. North was recently tried in the United States in the Iran-contra scandal. Owen was directly in charge of building landing strips in Costa Rica to resupply the contras' southern front.

Ocean Hunter and its twin company "Mr Shrimp" were chosen by Robert Owen and John Hull to administer about \$231,000 in U.S. humanitarian aid to the contras.

Medellin Cartel accountant Ramon Milian Rodriguez said a few months ago in the United States that his organization had laundered, through Ocean Hunter, about \$200,000 a month, which came from drug trafficking.

It has also been reported that Chanes, Rene Corvo, and Felipe Vidal were in charge of illegally sending weapons to the contras from Miami. The three participated in planning the La Penca attack and in an attempt to assassinate Lewis Tambs, former U.S. Ambassador to Costa Rica.

Although it is not clear how these companies supplied the contras, it has been reported that the \$231,587 in "humanitarian aid" given to Ocean Hunt was traced to the Israel Discount Bank and the Korean Exchange Bank. At the same time, both Israel and South Korea were supplying weapons to the contras. To conceal the illegal operations, Ocean Hunter forged receipts from the Miskito Kisan South organization.

U.S. citizen John Hull seems to be linked to every criminal operation of this counterrevolutionary ring. The "CIA farmer," as he is known, has been charged with participating in drug trafficking, together with Jorge Morales (now under arrest in the United States) and his pilot Gerardo Duran Yanegui (now under arrest in Liberia). Morales and Duran have both been linked to drug trafficking.

Hull refused to render testimony before the Legislative Commission investigating drug trafficking. Contrary to established law, he remains free, allegedly due to a heart ailment.

El Salvador

Cristiani on Plan To Improve Social Development *PA1007233289 San Salvador EL MUNDO in Spanish* 6 Jul 89 p 3

[Text] At the Sheraton Hotel yesterday, during a ceremony to inaugurate a seminar organized under the auspices of the UN Food and Agriculture Organization [FAO] and the Planning Ministry, Salvadoran President Alfredo Cristiani said: "In light of the social ills currently affecting our people, I would like to reiterate that, to solve the most urgent problems in the shortest time possible, the national salvation government will implement an Immediate Action Plan designed to create productive jobs and improve the family diet. The plan will also include programs to strengthen the development of youths, promote the thorough development of Salvadoran women, and encourage joint community development."

The Salvadoran president said his government will make "all the necessary efforts to improve the quality of health services and to make them available to the Salvadoran population as a whole. We have always said that our people are our most valuable asset and we cannot plan for the future with sick and undernourished people."

Cristiani added that "compounding the aforementioned problems, the violence that the Marxist-Leninist groups has unleashed is designed to destroy the production system, which in turn has increased unemployment among a large sector of the Salvadoran population. This lack of jobs prevents our brothers from obtaining an adequate income to feed their families."

Cristiani stated that to overcome "this dramatic situation, we need the solidarity and disciplined efforts of the Salvadoran people; this is why we have called on the hard-working and efficient members of the productive sector to redouble their capacity to make sacrifices. In return, the government has offered them its total support and understanding so that together and in solidarity, we can work for the benefit of El Salvador and its most needy sectors."

The Salvadoran president underscored that "the government, together with all the sectors of the population, will develop the strategies and objectives of a social policy that will be implemented in three phases: an immediate action plan, a social emergency program, and short-term and long-term plans to seek the improvement of man, so that Salvadorans themselves will become key elements in their material and spiritual development." Cristiani added that the new policy is based on six basic principles: participation, decentralization, subsidization, solidarity, evaluation, and progressiveness.

Cristiani said that "in this way, our commitment to the country's social development will respond to the principle of subsidies or assistance, which outlines the state's role in stimulating and developing the human being's creative, intellectual, physical, and spiritual abilities." The Salvadoran president also said that "the poor must help determine their unfulfilled needs through the search for solutions and through implementing measures to eliminate poverty. Therefore, participation is another social principle that will be included in the national salvation government's policy."

Concluding, Cristiani said: "The state must decentralize its functions by bringing mid-level organizations into the decision-making process. By making these decisions closer to the grassroots level, solutions should correspond more closely to the problem and be easier to implement. This is our concept of the principle of decentralization, which should allow us to get rid of excessive bureaucracy and the subsequent excessive number of controls, and to end arbitrary measures."

Archbishop Decries Violence, Urges Peace

PA1007191489 *San Salvador Canal Doce Television*
in Spanish 1400 GMT 9 Jul 89

[Homily by Archbishop Arturo Rivera y Damas at the San Salvador Cathedral—live]

[Excerpt] [Passage omitted] Peace is fast disappearing from some Salvadoran regions, as apparently indicated by a tragic incident on the highway to La Libertad, where a clash between the FMLN [Farabundo Marti National Liberation Front] and government forces killed several persons. Also, several families who were hoping to get some rest instead were filled with fear.

Another even more tragic incident took place near Ahuachapan. Three children of a poor family were blown to bits by a grenade that unidentified persons left in the children's humble home. We should not turn our history into a daily war of figures where each side announces the number of casualties inflicted on the other. We urgently need a humane solution to such absurd bloodshed. Meanwhile, the sides to the conflict must spare the lives of the defenseless civilian population.

When we examine the events of the past few weeks, we can observe several worrisome signs that I must point out as a pastor. One of these is the numerous detentions, some of which have a new characteristic. The soldiers take entire families with them. Also, several of those detained belong to cooperatives. Our Legal Aid Office has confirmed several murders perpetrated by Armed Forces members. There is legal evidence of these murders.

The world is watching our country's human rights situation. Above all, we are being watched by God, who keeps asking, deep in our hearts: Where is your brother? Only if we allow ourselves to be led by our Christian consciences, can we find the peace we long for so much. Amen.

Guatemala

Foreign Minister Invited to Panamanian Talks

PA0807043089 *Guatemala City PRENSA LIBRE*
in Spanish 7 Jul 89 p 5

[Text] Yesterday, Manuel Burgos, representative of the Panamanian Civic Democratic Opposition Alliance [ADOC], visited Minister for Specific Affairs Sara Mishaan and Foreign Minister Mario Palencia to ask, he said, for solidarity from the government regarding his country's critical situation.

Burgos, who was interviewed at the National Palace, said he visited the Guatemalan foreign minister to invite him to attend—as a member of the OAS delegation trying to resolve the Panama crisis—a meeting of Panamanian political groups on 14 July. He said this meeting will be held before the OAS delegation submits its report to the OAS on 19 July.

Burgos said the same invitation will be extended to the foreign ministers of other countries who make up the delegation so that they can guarantee any agreements reached at that meeting.

He said the government is expected to commit itself in front of the OAS representatives to comply faithfully with any agreements the political groups may reach at the 14 July meeting. "It is feared that the situation will move toward an impasse again and that those who are in power will continue to play for time and stay in power even though they are dictators," Burgos added.

In addition, he said if no agreement is reached at that meeting, the OAS foreign ministers should ask their governments to exert pressure to find a solution to the Panama crisis.

He also asked all democratic governments to demand that General Manuel Antonio Noriega's regime release the civilians and military men who are unjustly being held in prison.

The Panamanian politician arrived at the National Palace accompanied by Juan Carlos Arriola, member of the Chamber of Free Enterprise, which supports Burgos and has been his host in Guatemala.

EL GRAFICO on Alleged Government 'Purge'

PA0807120089 Guatemala City *EL GRAFICO*
in Spanish 5 Jul 89 p 5

[Text] An alleged "purge," similar to those that periodically occur in the Kremlin, is currently taking place in the Guatemalan Government as the date the DCG [Guatemalan Christian Democracy] General Assembly is scheduled to choose its presidential candidate approaches.

Up to now, two high-ranking officials who do not belong to candidate Alfonso Cabrera's group have left office. One was removed from office by the government, and the other tendered his "resignation." Rene de Leon Escribano was removed as director of the INDE [National Institute of Electrification]. For his part, Rodolfo Estrada Hurtarte, minister of agriculture, livestock, and foodstuffs, has now tendered his resignation after being bombarded with harsh questions during an appearance before the National Congress. The question now is: Who will be the next government official to be removed from office?

Talks Between Teachers, Education Minister Fail

PA0707160489 Guatemala City *PRENSA LIBRE*
in Spanish 5 Jul 89 p 8

[Excerpts] During a meeting with representatives of the National Teacher's Assembly [ANM] on 4 July, Guatemalan Education Minister Ricardo Gomez Galvez said: "It does not matter how long the strike lasts. We know teachers will return to work anyway."

The aforementioned meeting did not have any positive results because of both sides' intransigence. Both sides have locked themselves into their positions.

The meeting between the teachers and Education Ministry authorities lasted approximately 2 1/2 hours. Several proposals to solve the problem were presented, but in the end, no specific solution was reached. Both sides only agreed on a recess to the negotiations, although they did not agree on a specific date to resume the talks. [passage omitted]

The reason the meeting, which Minister Gomez described as a chance meeting, had negative results is that neither the minister nor the teachers gave in even a little on their positions. While Minister Gomez said he would not continue the talks unless the teachers gave up their attitude, the teachers demanded a wage increase this year and refused to end the strike. [passage omitted]

After learning the results of the meeting, several teachers returned to their hometowns, since some of them live in the interior of the country. However, that decision was not unanimous. Several teachers from the interior decided to stay at the Central Square until 5 July.

There are still hopes that the education minister and the teachers' representatives will resume talks today.

Rumors Concerning Sale of Gold Reserves Denied

PA1007215889 Guatemala City *LA HORA* in Spanish
6 Jul 89 p 6

[Text] In an attempt to prevent more rumors concerning the handling of the country's foreign exchange policy, the Bank of Guatemala wishes to clear up for the Guatemalan citizens a rumor that has recently emerged that the Monetary Board has agreed to sell half of the country's gold.

First, it is important to note that a few days ago, the Monetary Board was forced to order that the sale of foreign exchange for travel purposes be subjected to a guaranteed deposit prior to the purchase of the desired currency. The measure stemmed from the need to control the country's foreign exchange being used for currency speculation.

Since the price of the dollar was being subjected to strong pressure, since an unusual demand for foreign exchange was being made, and in light of the possibility that the rumors could create a problem with the availability of foreign exchange, the Monetary Board decided that it was necessary to create a contingency fund to ensure the liquidity needed for the Bank of Guatemala to meet its payments abroad.

Therefore, in compliance with the Monetary Board's authorization dated 28 June, the Bank of Guatemala is currently legalizing an exchange of gold reserves for liquid assets.

This is a normal operation for central banks around the world. It is designed to diversify international monetary reserves by obtaining a more liquid asset, such as a specific currency, in this particular case; a less liquid asset like gold will be exchanged for U.S. dollars.

Bearing in mind that speculation on the foreign exchange markets has dropped considerably, it is believed that it will not be long before the Bank of Guatemala will be in a position to revert the operation. The mechanism to revert the operation is also included in the Monetary Board's authorized negotiation.

Therefore, the operation is exclusively a preventive measure.

Honduras

Deputies on Deteriorating Ties With Nicaragua
PA0707202089 San Pedro Sula TIEMPO in Spanish
7 Jul 89 p 8

[Text] Tegucigalpa—Yesterday, Honduran National Congress deputies warned that they were concerned about the deterioration of diplomatic relations between Honduras and Nicaragua. Honduran President Jose Azcona's government asked Managua to reduce its diplomatic personnel in Tegucigalpa, alleging that some Nicaraguan diplomats would be linked to violent actions in the country.

Oscar Melara, National Congress secretary and president of the National Congress's foreign relations committee, said that relations between Honduras and Nicaragua are "difficult," because there is too much tension between both countries. He said the tension is caused both by the Nicaraguan Government's ideology and Honduras' love for democracy."

Melara asserted that the National Congress' Foreign Relations Committee has "enough evidence" to support the press communique in which the Honduran Foreign Ministry asks Nicaragua to reduce its diplomatic personnel in Tegucigalpa, linking the personnel to violent actions in Honduras.

However, Melara said that "for no reason" should Honduras and Nicaragua break their relations because the region is seeking peace through dialogue. Melara said the Honduran diplomatic personnel in Managua are far fewer than the Nicaraguan personnel in Honduras.

Christian Democratic Deputy Efraim Diaz Arrivillaga said he is "very concerned because relations between Nicaragua and Honduras are deteriorating more and more in light of existing disagreements." Diaz said that the people of both Honduras and Nicaragua are against war and advocate peace.

Diaz warned that the Managua and Tegucigalpa authorities must be very careful so that their game of mutual accusations does not result in a break in future diplomatic relations.

National Party Deputy Nicolas Cruz Torres said that the basis for the conflicts between Nicaragua and Honduras is the presence of the contra movement in Honduras.

Cruz said: "Those people [the contras] should already be in the United States, so that we can avoid problems with other countries."

Gustavo Gomez Santos, Liberal Party deputy for Olancho Department, said the issue of diplomatic relations with Nicaragua "must be handled with caution" to avoid unnecessary political confrontation.

National Congress Vice President Orlando Gomez Cisneros said the Foreign Ministry accusations against the Nicaraguan diplomatic representation in Honduras will not result in a crisis.

Gomez Cisneros described the accusations as a normal event within the flow of verbal exchanges between two countries.

Deputy Olman Serrano supported the Foreign Ministry request to reduce the Nicaraguan diplomatic personnel in Honduras and denied that Honduran Foreign Minister Carlos Lopez Contreras is trying to provoke a break in diplomatic relations with Nicaragua.

Serrano said the Nicaraguan diplomats come to Honduras to spy rather than to promote harmonious bilateral relations.

Murders of Labor, Student Leaders Investigated
PA0707183689 Tegucigalpa EL HERALDO in Spanish
7 Jul 89 p 3

[Text] According to statements by General Humberto Regalado Hernandez, commander in chief of the Honduran Armed Forces, the Armed Forces yesterday began to investigate the murders of labor and student leaders that took place recently in San Pedro Sula.

At 1800 on 4 July, University Reform Front (FRU) Leader Edgardo Herrera was shot seven times—including one shot in the forehead—by unidentified men in the northern city of San Pedro Sula.

The situation worsened early in the morning on 5 July, when Salomon Valecillo, president of the Honduran Tobacco Industry Labor Union, was shot 14 times by unidentified men. According to what the Public Security Forces themselves admitted, one of the men was a member of that institution.

Jose Danilo Martinez, of the Bijao Cement Company Labor Union, was the third labor leader murdered. He was shot in the head twice near the town of Choloma, Cortes Department.

Gen Regalado said: "As of right now, I have ordered the intelligence department to make every effort necessary to clarify these crimes." However, he added that the situation is becoming "very difficult," because Ramon Custodio, president of the Honduran Human Rights Defense Committee, already held the Armed Forces responsible for those actions.

Answering questions about the origin of the people who are committing these crimes, Gen Regalado said that "they come from neighboring countries to commit crimes here. Then they return to their countries by the same blind points" through which they entered. Daniel Ortega's plan to murder prominent Honduran figures. However, Solorzano did not mention if any military figures are included in the plan.

Regalado stressed that the alleged former Sandinist officer "did not tell us anything new." He only confirmed "what our intelligence files had registered" concerning actions that are planned in Nicaragua and carried out in Honduran territory.

However, Gen Regalado asserted that the Honduran people can be sure "we will make every effort necessary to clarify these cases."

Nicaragua

President Leaves for Menem's Inauguration 7 Jul
PA0707195389 Panama City ACAN in Spanish
1408 GMT 7 Jul 89

[Text] Managua, 7 Jul (ACAN-EFE)—Nicaraguan President Daniel Ortega left for Argentina today to attend Carlos Menem's inauguration to be held in Buenos Aires on 8 July.

The Nicaraguan Presidency announced today that Ortega will also take advantage of this visit to meet with Latin American chiefs of state and leaders of political parties.

Official sources indicated that Ortega traveled to Argentina at the invitation of the president-elect.

Ortega on Talks With Venezuelan President
PA1007161389 Managua Radio Sandino in Spanish
1200 GMT 10 Jul 89

[Text] The groups of the Expanded Nicaraguan Opposition Coordinating Board [Coordinadora Ampliada] should register, President Daniel Ortega Saavedra said last night when he returned home after visits to Argentina, Peru, and Venezuela. The opposition political parties that have not yet decided to participate in the

electoral process have had a negative influence on international public opinion in their effort to sow distrust in our electoral process, the president added.

President Ortega also said that when he met with Venezuelan President Carlos Andres Perez, they discussed the presence of international organizations such as the United Nations and the OAS as guarantors of the elections since they will be monitoring the electoral process. Venezuela has expressed a favorable opinion regarding our country's electoral process as a result of the UN and OAS teams that are assisting us with the elections, Commander Daniel Ortega Saavedra added.

President Ortega said that he assured President Perez that there will be a dialogue with the political parties that register to vote in the elections so that all groups can jointly present proposals to the Supreme Electoral Council, which is empowered to implement the elections and communications laws.

Meanwhile, Venezuelan President Carlos Andres Perez said that he supported President Daniel Ortega. The Venezuelan president feels much progress has been made in the Nicaraguan electoral process, and he pointed out that the goal should be to reach a broad agreement with the opposition parties. The Venezuelan president said that the Esquipulas Agreements are yielding positive results, such as halting the war, but that the citizens should participate in the elections in order to determine what policies are implemented. Perez said that his government wants to cooperate with the electoral process, as it is in fact doing, because the Central American problem is Latin America's problem and not just Nicaragua's problem. We support all of President Ortega's efforts to hold an election that all sectors of the country will be satisfied with, Venezuelan President Carlos Andres Perez said.

The Nicaraguan and Venezuelan presidents agreed last night that progress has been made in the peace efforts proposed in Costa del Sol, El Salvador, and in the Nicaraguan electoral process. After attending the inauguration of new Argentine President Carlos Saul Menem in Buenos Aires, Commander Ortega received a telephone call from the Venezuelan president inviting him to stop over in Caracas. Commander Ortega reported at the conclusion of his meeting with Perez that they discussed the upcoming Central American summit to be held in Honduras as well as the Panama situation.

Minister on U.S. 'Plans' Against Elections
PA1007165289 Managua Radio Sandino in Spanish
1200 GMT 10 Jul 89

[Text] The U.S. Administration's plans to be carried out by the CIA against Nicaragua's electoral process, which will culminate in the 25 February 1990 elections, were discussed this morning during the El Atabal newscast by Vice Interior Minister Lenin Cerna.

[Begin Cerna recording] It is public knowledge worldwide that the CIA is once again entrusted with carrying out actions against the electoral process in Nicaragua. We could not be so naive as to think that the CIA is going to engage only in supplying the political parties with paint, cloth, and cardboard so the parties can make banners and posters. We know the CIA is doing that, but we cannot be so naive as to think that that is all it is doing. The CIA can do all sorts of things.

Certain individuals who are normally linked to the CIA and who are members of these political parties are already talking about attacks, not against the government, but against what they call the collaborators, the political opportunists [zancudos]. They are referring to those who do not yield—as they have—to the U.S. plans. They are already talking about incorporating the former Somozist guards who have been pardoned into their plans. We have reports to that effect.

As LA PRENSA has reported, we have talked—not personally with the newspaper people, as they said; that is a lie—with the former Somozist guards to warn them that we are aware of their plans. Right now, these people are engaged in an accelerated process of organization. Judging from their announcements, we know that the guards are being organized. They are even talking about going underground. We know they are not going to do this to learn to become more humane people, which is the opportunity that the revolution gave them. They are going to do this to carry out their plans related to their former activities as guardsmen. [end recording]

Commander Cerna explained that the FDN [Nicaraguan Democratic Forces] contras are threatening the peasants in the mountain areas of the country to keep them from voting for the Sandinist National Liberation Front and have even told them they will burn the voting centers.

UN Observers' Mission To Arrive 8 July
*PA0907014089 Hamburg DPA in Spanish 2111 GMT
8 Jul 89*

[Text] Managua, 8 Jul (DPA)—An official UN delegation will arrive in Managua tonight to observe, "on the spot," the work that Nicaragua is carrying out to hold general elections on 25 February 1990.

According to government sources DPA consulted with, UN Secretary General Javier Perez de Cuellar's envoys will arrive on a commercial flight from Costa Rica and will stay in Managua for 8 days. The arrival of the UN observers is the result of a note sent by Perez de Cuellar on 5 July after the Nicaraguan Government had invited him on 3 March to send these observers.

Although the sources did not disclose the observers' agenda, political circles believe that they will meet with Supreme Electoral Council President Mariano Fiallos, leaders of opposition parties, and top government officials, including Acting President Sergio Ramirez.

An official Nicaraguan Foreign Ministry communique issued today also stated that the OAS accepted an invitation from Nicaragua to send observers to watch the organizational work carried out by the electoral officials and by the Nicaraguan political parties.

Mission Arrives; Duties Outlined
*PA1007172189 Paris AFP in Spanish 1715 GMT
9 Jul 89*

[Text] Managua, 9 Jul (AFP)—A group of UN election observers led by Pakistani Iqbal Riza arrived in Managua on 8 July. The delegation will meet with all the groups involved in the February 1990 elections and will request information on the election calendar.

According to an official document, Nicaragua and the United Nations announced the creation of a mission of international observers who will be in charge of "verifying the development of the Nicaraguan election process in all its phases and in all electoral districts."

Riza, who arrived in Managua along with Netherlander Johannes Water, Argentine Horacio Boneo, Italian Laura Villari, and Colombian Josue Cardoza, told reporters that the UN delegation will stay in Nicaragua 5 days.

After explaining that the main purpose of the visit is to set up the logistics for the observation work, Riza added that another UN mission will come to Nicaragua in August to continue the work that his mission began today.

In a communique, the Nicaraguan Foreign Ministry reported that the UN mission enjoys diplomatic immunity, that it can circulate freely, and that it has unrestricted access to everything related to the election process, which will officially begin this August.

Among its responsibilities during the election process, the UN mission must make sure all political parties are fairly represented in the Supreme Electoral Council and in the organizations it controls.

The mission will also verify that the opposition parties enjoy full freedom of movement and organization without obstacles or intimidation. The UN mission will also make sure the opposition parties participating in the elections have equal access to television and radio time and will verify that all the voter lists are properly prepared. The UN mission will not only report to the country's top electoral authorities on the irregularities it observes, but also to UN Secretary General Javier Perez de Cuellar, who will receive a report from this commission.

Expulsion of 'Freedom House' Member Ordered
PA0907023289 Panama City ACAN in Spanish
1254 GMT 7 Jul 89

[Text] Managua, 7 Jul (ACAN-EFE)—On 6 July the Nicaraguan Government ordered the expulsion of Nicaraguan citizen Antonio Ibarra from the country. The government gave the order after Ibarra, a member of "Freedom House," asked the Supreme Electoral Council [CSE] for credentials to be an observer during the upcoming elections.

Ibarra told ACAN-EFE that according to the expulsion order, he must leave the country. He presented his "Freedom House" credentials before the CSE on Wednesday to fulfill the legal requirements to obtain authorization to be an international observer during the upcoming elections scheduled for 25 February.

However, the government gave 40-year-old Antonio Ibarra 48 hours to vacate the country, and charged him with violating two immigration laws. Nicaraguan immigration authorities said that Ibarra had violated the country's laws by staying in the country for a period of time exceeding the limit stipulated in the permit issued by the Nicaraguan Government.

Ibarra is also an editor for the "Freedom at Issue" magazine. He denied the government's charges and said that before his permit expired, he requested a 75-day extension to remain in Nicaragua.

However, authorities charged that Ibarra had not notified them of his change of address in Managua as stipulated by the law. The "Freedom House" member said the Sandinist authorities' charges are "false" and stated that he gave his new address in Managua when he requested the permit.

Ibarra, who was born in Nicaragua 40 years ago, arrived in the country on 11 June; his permit should expire on 11 July. Ibarra is married to a Belgian-American woman; he graduated as a sociologist in Belgium and has resided in the United States for the past 10 years.

"Freedom House," a nonprofit organization, was founded in 1948 by Eleanor Roosevelt. The organization promotes freedom of the press and respect for human rights throughout the American continent. The institution has been an observer in Chile, El Salvador, and Paraguay, and is currently filling the legal requirements to open a new branch in Hungary, Ibarra concluded.

Official Media Members Receive FSLN Cards
PA0907131189 Hamburg DPA in Spanish 2054 GMT
8 Jul 89

[Text] Managua, 8 July (DPA)—Today, the Sandinist National Liberation Front [FSLN] issued 110 membership cards to cadres within the media and auxiliary government organizations, seeking to strengthen itself internally.

The cards were presented by FSLN Vice Coordinator Bayardo Arce in a ceremony attended only by members of the FSLN official media, the newspaper BARRICADA and Radio Sandino, it was learned today in Managua.

The new Sandinist activists include Radio Sandino Director Humberto Sanchez, who assumed the station's directorate in January.

BARRICADA members Juan Jose Lacayo, Roberto Fonseca, Roberto Larios, and others also received the government party's official card.

The ceremony is part of events marking the "10th anniversary" of the Sandinist revolution—which will be celebrated on 19 July with a main event at Carlos Fonseca Plaza, in the northwestern part of the city, beside Lake Managua.

Even though the FSLN has not revealed its official candidates for the various elections to be held on 25 February 1990, political observers do not rule out the possibility that the Sandinists may again have Daniel Ortega run for president.

Unofficial versions indicate that the FSLN will make an announcement on 19 July, through President Ortega, and may possibly reveal its candidates for next year's elections.

Bolanos on More Farm Expropriations for 1989
PA0607191389 Managua LA PRENSA in Spanish
1 Jul 89 pp 1, 12

[Text] A total of 36 farms, most of which are devoted to coffee production, located in Masaya, Carazo, Granada, and Rivas Departments will be expropriated under the Agrarian Reform Program this year, according to a report by Engineer Enrique Bolanos published today. In the report, Bolanos quotes official documents signed by [Agricultural Development and Agrarian Reform] Minister Jaime Wheelock.

The official document says that "the properties have not yet been expropriated, even though higher authorities have approved the plan, mainly because technical and political information is lacking in the characteristics of the farm and the owner, which are indispensable to completing the legal requirements to carry out the expropriations."

Bolanos said that properties not [as published] belonging to Nicolas Bolanos, Arnoldo Aleman, and Jaime Cuadra—who had their properties expropriated recently—were expropriated because of this lack of information and because the expropriations were carried out ahead of schedule.

According to Bolanos, the aforementioned persons lost their properties because Wheelock decided to punish them for political reasons. Wheelock classified the alleged crime, accused them of the crime, tried them, found them guilty, pronounced judgment, and, acting as law enforcer, carried out the sentence.

The largest of the properties to be expropriated this year is in the name of Concepcion Marengo, a large farm called "La Hartilla," with an extension of 4,032 manzanas. The smallest is called "Pinalito No 1," with an extension of only 2 manzanas, and is registered in the name of Myriam Valle.

In his exhaustively detailed report, Bolanos adds that, "As can be ascertained, the state now holds 132,000 manzanas of land that it could well distribute to landless

peasants. However, it continues to expropriate properties and destroy national production under the pretext that it needs land to distribute to the peasants. [no closing quotes as published]

Furiously, and resorting to force and violence, Wheelock expropriated the properties of the Bolanos, Cuadra, and Aleman families ahead of time, arrogantly saying: "I give the orders here and will continue to do so even if I am wrong." With this mentality, and through its agriculture minister, the FSLN has reduced coffee production from 1.4 million quintals to barely 800,000 quintals a year.

[Following Table as published]

Name of farm	Owner	Area in Manzanas	Location
La Calera	Myriam Solorzano	600	Cerro Mombacho
San Jose	Myriam Alfaro de Gomez	344	Mombacho
La Hortilla	Concepcion Marengo	4,032	Malacatoya
El Pochotal	Manuel Urbina Bermudez	250	Malacatoya
SAN MARCOS			
Santa Lucia	Byron Garcia Perez	4.5	San Marcos
Santa Julia	Edgard e Ivan Noguera	68	Los Marqueses
Santa Enriqueta	Francisco Ariola	65	Las Esquinas
San Jose de Coronel	Leopoldo Sanchez Siero	67.5	El Tanque
Pinalito No.1	Myriam Valle	2	Las Esquinas
Pinalito No.3	Gloria Penasco de Gonzalez	10	Las Esquinas
Pinalito No.4	Eduardo Sanchez	24	Las Esquinas
Acuispa	Angela y Fany Fernandez	35	El Chozizo
Rubicon No. 1	Fany Luna de Madrigal	33	Fatima
La Puntualidad	Carlos Sevilla	22	La Concepcion
La Dontita	Maria Teresa Gonzalez	121	La Chona
San Luis	Erminia Arevalo de Guevara	15	El Tanque
Sta Catalina	Sucesores Velasquez	22	Los Marqueses
Las Marias	Dolores Garcia	26.7	Los Marqueses
Monte Libano	Berta Abud de Powe	12	El Mojon
Rubicon No 2	Luz Luna y Vigil	32	Fatima
La Muralla	Obdulia Sanchez de Velasquez	55	La Concepcion
Santa Rosalia	Marcial Zuniga	22	Cruz de Guadalupe
DIRIAMBIA			
V.R. y Anexos	Grace McGregor de Rappacioli	599.4	La Boquita
Sta Martha y Martha Gonzalez de El Pegon	Chamorro	74	La Montura
Quinta Juana	Dolores Garcia	19.6	Diriamba
Andalucia	Blanca Rappaccioli	336	La Pintura
Las Riveras	Alejandro Gonzalez	140	La Boquita
JINOTEPE			
San Miguel	Luis Matus	15	Santa Teresa
La Vida es Nada	Modesto Rojas	253	Santa Teresa
La Argentina	Intervenciones Ramirez, S.A.	250	Santa Teresa
NANDAIME			
San Luis	Luis Guillermo Arguello	212	Nandarola
Monte Verde	Inmuebles Comerciales, S.A.	33	Monte Verde
RIVAS			
San Fernando	Sara Padilla Castillo	650	Comunidad La Uva, Tola
SAN JUAN DEL SUR			
El Sueno	Santos Vilchez	250	Cardenas
Pueblo Nuevo	Julio Cesar	65	Pueblo Nuevo
Llano Grande	Santos Vilchez	403	Las Pampas

Panama

U.S. Marines March on Highway, Violate Treaty *PA1107003389 Panama City Televisora Nacional in Spanish 2340 GMT 10 Jul 89*

[Text] Approximately 400 U.S. soldiers from the 3d Battalion of the 6th Corp of the 2d Marine Infantry Division who are training in Fort Sherman's Jungle Operations Center, on Sunday, 9 July, carried out a unilateral act of provocation when they marched on the Pan American highway in the Howard Air Force Base area.

The U.S. Marines began their operations early Saturday when they used motor boats to pass the Gatun locks to arrive at Mandingo, from where they marched to the Emperador target practice area, in violation of treaty stipulations that permit military exercises and maneuvers there only if they are carried out jointly with the Defense Forces of Panama.

The Marines carried out their target practice exercises and spent the night in the area. Early Sunday, thousands of Panamanians traveling to the country's interior saw the extent of the U.S. troops' deployment, as the Marines used the Pan American Highway to march to Howard Air Force Base.

This new violation is to be added to a series of U.S. Army provocations and the invasion of areas under Panamanian jurisdiction.

Youth Group Plans Quarry Heights Demonstration *PA1107140489 Panama City CRITICA in Spanish 11 Jul 89 p 5*

[From the "Scoops" column]

[Text] On the 7th anniversary of its creation, the People's Revolutionary Youth [JPR] will hold a demonstration today in front of the U.S. Southern Command headquarters at Quarry Heights at 1700. The JPR is a patriotic organization committed to national liberation, democracy, and socialism.

Solis Palma Comments on Constitution, Dialogue *PA1107132789 Panama City Circuito RPC Television in Spanish 2342 GMT 10 Jul 89*

[Text] Last night, Manuel Solis Palma, minister in charge of the Presidency, returned to the country after his visit to Argentina where he attended the inauguration of new Argentina President Carlos Saul Menem, a Peronist lawyer. Solis Palma was greeted by members of his cabinet and of the Panama Defense Forces [FDP] General Staff at the Panamanian Air Force terminal. On his return to the fatherland, the president made some statements on the national political situation.

[Begin recording] [Solis Palma] I insist there is no power vacuum. There can never be any such vacuum in any country of the world. In one way or another, that situation must be solved. The country cannot be left without its authorities, its government, or its branches of government that represent and support such authorities. That is the logical thing. How will this problem be solved? We Panamanians have to agree on how we will do it.

[Reporter] How could this be done in accordance with the Constitution?

[Solis Palma] I do not think there is anything specific on this subject in the Constitution. These are facts, real situations that must be solved. For example, in the case of Argentina, the Constitution does not provide for moving the date of the presidential term forward. However, the situation in Argentina forced them to agree on a solution that—although it is not totally in accordance with the Constitution—provided the Argentines an opportunity to solve the tremendous problems that country is experiencing.

[Reporter] Is that the situation in our case?

[Solis Palma] This is not a case of moving a presidential term forward. We must determine what we will do at a given time when there is no possibility of adhering to the Constitution.

[Reporter] Is the Executive Branch willing to attend a dialogue with the opposition and the FDP?

[Solis Palma] We have always been willing and determined to attend a dialogue. We have not refused any such dialogue. We have always maintained that there cannot be a dialogue that begins by imposing conditions on the parties in conflict. That does not mean that during the dialogue all topics will be discussed. We can discuss absolutely all topics that come up, but there cannot be any conditions. If conditions are allowed, that would be like agreeing to what has been determined beforehand.
[end recording]

ADOC's Endara on 'Foiled' Dialogue Attempt *PA1107005589 Panama City Circuito RPC Television in Spanish 2338 GMT 10 Jul 89*

[Text] Guillermo Endara, the former presidential candidate for ADOC [Civic Democratic Opposition Alliance], has been questioned about Saturday's foiled attempt to hold a dialogue with the government at the apostolic nuncio's office. He said:

[Begin recording] [Endara] Our conscience is quite clear. As representatives of the overwhelming majority of voters on 7 May and, therefore, as the slate elected in the 7 May elections, we are dutybound to seek every possible civilized solution to this crisis. Really, the ones who have a big problem are the military. We have tried to solve the

problem for the military, which apparently does not know how to and cannot leave power when it is supposed to. It has refused the dialogue because of its political obduracy and desire to cling to power. We have done everything humanly possible in this search for a dialogue. For this reason, our conscience is clear. We have already said everything we had to say about this. We are open to a dialogue exactly in the manner we have outlined so many times and again outlined a few days ago. However, for the time being, and in light of the refusal of the military authorities, from now on we will abstain from making further statements about the dialogue and will not appear to make new proposals. At least for the time being, we will not be making new proposals and will leave things as they stand. We will let the military take the initiative if they have consciences as Panamanians.

[Unidentified reporter] Would you participate in a dialogue or attend a meeting convened by someone who has not sided with either group?

[Endara] We accepted the OAS proposal after much discussion. I do not know who else would want to stick his nose in this situation, but I feel that we have enough with the OAS mediation.

[Reporter] In light of a lack of dialogue, what other alternative do Panamanians have?

[Endara] The only alternative the Panamanian people have is to give this military dictatorship no respite. We must fight, fight, and fight for our freedom, democracy, and justice. The only alternative is to fight.

[Reporter] Historically speaking, who will be blamed for the failure of every effort for dialogue?

[Endara] The military will be blamed. We have made clear and precise offers to negotiate on many occasions. We have said that we are willing to participate in a dialogue. Our last offer was firm. We established a place, a date, and an hour so that it would not be said that no one was setting up the dialogue. We promoted a previous meeting to establish the conditions for the dialogue, but they did not attend because they did not want to attend. They could not care less about Panama's future.

[Reporter] Will you attend the meeting that the government is holding this afternoon with COLINA [National Liberation Coalition]? It is also being attended by members of the Panama Defense Forces.

[Endara] That meeting lacks any seriousness. We pay no attention to the man who is convening that meeting. [end recording]

FDP Colonels Attend 'National Dialogue'
PA1107044089 Panama City ACAN in Spanish
0219 GMT 11 Jul 89

[Text] Panama City, 10 Jul (ACAN-EFE)—Two Panamanian colonels attended another meeting today called by progovernment political parties to initiate a "national dialogue," but neither government nor opposition delegates attended. The leaders of the progovernment coalition did not attend either.

Just as happened last Friday, Colonels Virgilio Mirones and Nivaldo Madrinan, who were appointed by General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP], showed up for the meeting at a hotel at the outskirts of the capital.

The opposition, which has also called for dialogue meetings, which government representatives have not attended, had announced it would not attend today's meeting because it "lacked seriousness" and because it is not in keeping with the "tripartite dialogue" suggested by the OAS to find a solution to the Panamanian crisis.

The government has announced its support for the meetings called by the progovernment parties and it has disregarded the meetings proposed by the opposition. However, it has not sent delegates to the talks, which it supports, on Friday or today.

The absence of the top leaders of the progovernment parties, the Democratic Revolutionary Party (PRD) and the Labor Party (PALA), was also evident.

Madrinan said he and Mirones had been appointed by the FDP to "promote a dialogue and a national understanding with all political forces."

Asked about the absence of the opposition, the same colonel answered: "We took a step toward a dialogue; we are here. Ask the opposition why they are not here."

The calls for dialogue, mutually disregarded by government and opposition forces, are taking place only a week before the OAS mission's mandate expires. The mission is in charge of seeking "formulas for an agreement" in Panama.

The mission, headed by Ecuadoran Foreign Minister Diego Cordovez, suggested that a "tripartite dialogue" should be held with representatives of the progovernment parties, the opposition parties, and the military to seek an agreement that would solve the crisis resulting from the annulment of the Panamanian elections held on 7 May.

On Wednesday, 19 July, the mission must present a report of its work before the continent's foreign ministers in Washington.

Papers Comment on Political Parties' Dialogue

On 'Urgent' Need for Dialogue

PA1007183689 Panama City LA REPUBLICA
DOMINICAL in Spanish 9 Jul 89 p 4-A

[Editorial: "The Urgent Need for a Dialogue"]

[Text] The OAS foreign ministers' meeting is only 10 days away, and we must urgently establish a national dialogue to seek formulas for an agreement to solve the political and economic crisis strangling our country.

On the one hand, the eight parties composing COLINA [National Liberation Coalition], the Authentic Panamanist Arnulfista Party [PPAA], and a delegation of the Panama Defense Forces [FDP] held a meeting on 7 July to discuss several proposals. It was agreed to adjourn the meeting until Monday, 10 July, when the FDP will issue a statement stating its position on the Panamanian problem.

On the other hand, following a lunch at the nunciature—with the participation of Marc Cisneros, the U.S. military proconsul, and General Woerner—the pro-gringo Guillermo Endara Galimany announced that he would accept a dialogue with an emissary of Carlos Duque Jaen, who would represent the COLINA parties, and an FDP representative.

The people openly repudiated the outcome of the meeting at the nunciature, because it is apparently the result of the pressure exerted by the Southern Command bosses, who openly manipulate the ADOC [Civic Democratic Opposition Alliance].

The OAS foreign ministers' delegation that came to Panama clearly said the Panamanian problem must be solved without foreign interference or intervention. Therefore, it is absurd for U.S. military officers to meddle in our affairs. The most deplorable thing is that the apostolic nuncio, who had agreed that our problems should be solved among Panamanians and objected to U.S. interference, is now allowing himself to be used by the Southern Command bosses, who demand that a dialogue be held the way they have planned.

The Panamanian people want a dialogue and a national agreement, but they will not let the participants be U.S. pawns.

There are great hopes for next week's events, for the COLINA parties' reply, and even for the results of a meeting held by Endara yesterday.

Neither the parties struggling for national liberation, led by Carlos Duque, nor the PPAA, led by Hildebrando Nicosia, will let the Southern Command generals try to reach formulas for an agreement in which the turncoat

oligarchy will try to impose submissive formulas dictated by Bush from Washington, as if this country were a colony of the northern masters.

The Panamanian people are on their feet. Despite all the intimidation, they will withstand all the surprise attacks that the procolonialists may launch against us in various parts of the Republic.

On 'Failure' of Dialogue

PA1007205789 Panama City LA ESTRELLA DE
PANAMA in Spanish 9 Jul 89 p 4-A

[Editorial: "The Failure of the OAS Tripartite Dialogue"]

[Text] In 10 days, the OAS consultative meeting will be held. Panama's political parties so far have not reached an agreement on the tripartite dialogue proposed by the OAS as a formula to reach an understanding among the parties involved in the conflict. It seems that so far, none of the goals proposed by the OAS commission that visited Panama has been achieved. Since the three foreign ministers and the OAS secretary general left in the hands of Panamanian political leaders the opportunity to establish the conditions for a national dialogue, we have not seen the necessary willingness to turn this desired meeting into reality. Except for some vague public communiques, deceptive rhetoric, and demonstrations of tactical abilities, the public has not seen any serious effort by the political parties involved in the conflict to hold the dialogue proposed by the OAS.

Obviously, it seems we Panamanians have totally lost the political desire to negotiate the conflict. There have been vehement appeals saying the solution to the Panamanian crisis must be found only by Panamanians. It has been emphasized that foreign meddling is totally unacceptable. However, whenever there has been an opportunity, we have engaged in fruitless speeches and insignificant promises that are far from the true desire to sit at the negotiating table to frankly discuss the situation and find—among Panamanians—a suitable solution to the grave crisis overwhelming us. The OAS proposal permitted a favorable climate for the dialogue among the country's most important political groups, which were specifically mentioned by this organization. Despite this, in the past few days the possibility of holding the tripartite meeting has totally vanished, because each of the groups that should have taken part in the dialogue proposed by the OAS has gone its own way in an unproductive, frustrating manner.

Each party continues insisting on different ways to hold the much talked about dialogue. The events of the past few days totally dash the hopes for the tripartite meeting proposed by the OAS. This also turns back the political clock to the situation that existed a few months ago, when the groups involved in the dispute went their separate ways and held insignificant and practically unilateral dialogues. Ten days before the date established

by the OAS to clear up the Panamanian crisis, it is certain that the tripartite dialogue proposed by the OAS has failed. This can be inferred from recent political events.

In view of this failure, we are now facing an uncertain, distressing, and disappointing reality. The political controversy continues to drag the country to economic disaster, which will continue with its resultant unemployment, hunger, and misery. Since the dialogue proposed by the OAS has failed, and since the political parties went their separate ways to impose their own criteria, all hopes for a serious, responsible, and totally Panamanian understanding have vanished. Our leaders have totally lost the political desire to solve the crisis. This obvious incompetence will continue leading the country to deterioration, inefficiency, and the most unpredictable economic ruin. We have not been capable of leaving aside selfishness, partisanship, and personality cults. Our leaders have not been capable of pleasing a people who want peace and calm. Because of this, the hopes over the tripartite dialogue proposed by the OAS, which was one of the few alternatives we had to redirect the nation to the path of understanding and national reconstruction, have collapsed.

Opposition Leader on Noriega, Intervention

PA1107004389 Hamburg DPA in Spanish 0119 GMT
10 Jul 89

[Text] Panama City, 10 Jul (DPA)—Panamanian opposition candidate Ricardo Arias Calderon, first vice presidency candidate in the past elections, warned today that "the Panamanian people are condemned to choose between the disaster of General Manuel Antonio Noriega's continued dictatorship or foreign military intervention.

Arias Calderon made this remark after General Marc Cisneros, chief of the U.S. Army South stationed in Panama, announced that he advocates an invasion by his troops to remove Gen Noriega.

While rejecting foreign intervention, the opposition leader said that Noriega, like General Augusto Pinochet, wants the people to believe there is no relief in sight and that drastic measures must be adopted.

"Pinochet tried to convince the Chilean people that the alternatives were his dictatorship or communism, and Noriega is trying to convince us that our alternatives are either his dictatorship or the trauma of invasion," Arias Calderon said.

Arias Calderon explained that the Panamanian dictator is seeking foreign military action, the danger of which will serve him as an excuse at home and abroad to remain in power.

The opposition leader added that "he would not allow any dictator to endanger Panama's survival as an independent and sovereign nation."

He added that "at the first sign of intervention, the political detainees would probably be murdered because (the military) would not dare defend the fatherland, but they would," he said, "repress the Panamanians."

Meanwhile, Guillermo Ford, second vice presidential [candidate] for the ADOC [Civic Democratic Opposition Alliance], said that the opposition, "as men," supported the tripartite dialogue with the military and government parties as suggested by the OAS, but the military and government parties, "like chickens," participated in another dialogue organized by individuals who represent no one.

Ford said that the other dialogue called by the Authentic Panamenist Party (PPA), presided over by Hildebrando Nicosia and the eight pro-government parties, "must go to hell," because they cannot preside over the talks.

"Noriega and the government presidential candidates must come and talk with us instead of sending those nincompoops," Ford said.

FDP's Madrinan Criticizes Cisneros' Remarks

PA1107030589 Hamburg DPA in Spanish 0207 GMT
11 Jul 89

[Text] Panama City, 10 Jul (DPA)—Today, Colonel Nivaldo Madrinan, a member of the Panama Defense Forces (FDP) General Staff, described as "bluster" the remarks made by General Marc Cisneros, chief of the U.S. Army South, stationed in Panama. Cisneros said he favored an invasion to oust General Manuel Antonio Noriega.

"All that noise because Cisneros owes Commander Noriega \$500," said Madrinan, who is also director of the National Department of Investigation (DENI).

Madrinan's statements are the FDP's first reaction after being described as "brigands" by Gen Cisneros.

Since he took over as commander of the U.S. Army South in Panama on 23 June, Cisneros has been noted for his constant attacks on Gen Noriega and for intensifying military maneuvers in various sectors of the canal area.

PDC's Arias Urges OAS 'Intervention'

PA0907124589 Madrid EFE in Spanish 0037 GMT
9 Jul 89

[Text] Caracas, 7 Jul (EFE)—Panamanian opposition leader Ricardo Arias Calderon has told EFE that the intervention of the OAS in the Panamanian crisis is the way out in light of "the dictatorship or a unilateral U.S. action."

Arias Calderon arrived unexpectedly in Caracas on 6 July and met with Venezuelan President Carlos Andres Perez on 7 July.

Arias Calderon, leader of the Panamanian Christian Democratic Party (PDC), made these statements to EFE and a local newspaper on the night of 7 July, but asked that they not be released until the next day because he feared being exiled from Panama if these statements were published while he was still in Caracas.

International observers consider Arias Calderon the Panamanian first vice president-elect in light of the results of the 7 May elections, which were annulled by the current Panamanian regime.

Arias Calderon confirmed that during a joint meeting with President Perez and Eduardo Fernandez, secretary general of the opposition Committee of Independent Political Electoral Organization (COPEI), he expressed the "Civic Democratic Opposition Alliance's" (ADOC) views on how the OAS should handle the Panamanian situation.

Arias Calderon said the OAS could exert political and diplomatic "pressure" on Latin America and the Caribbean to vote for a "democratic" dialogue in Panama.

The OAS foreign ministers must show "more strength and determination than displayed to date" to achieve a dialogue among the parties involved in the Panamanian crisis, Arias said.

Arias told EFE that some of the "problems" that must be solved by the dialogue promoted by the OAS at the request of the Panamanian opposition are: democratization, the new "status" of the military, changes in the military leadership, and U.S. actions.

Asked about what the OAS could do if the Panamanian Government rejects the dialogue proposal, Arias said the OAS could exert "political, diplomatic, and economic pressure if this becomes necessary."

"I believe isolating General Manuel Antonio Noriega (commander of the Panama Defense Forces) and a strict quarantine of the current regime could help increase the pressures to force them to pay attention to what Latin America is saying," Arias added.

However, Arias stressed he is aware of the "limitations" of the OAS and the "weaknesses" of some Latin American peoples and governments, but he hopes this will work, "because if it does not, the alternatives" would be "catastrophic for Panama."

According to the Panamanian politician, "if Noriega continues in power—I apologize to Haiti—we are headed for a Haitianization in the country," and if there is a U.S. intervention, "as a nation, we will be headed for a trauma with repercussions no one can predict."

"Unfortunately," Arias warned, "the OAS does not have a good record of efficiency." However, he feels that if the OAS does something effective in Panama, "it will gain a stronger position."

Arias said that in contrast with former U.S. President Ronald Reagan's policy, the Panamanian crisis under the government of current U.S. President George Bush "can take a very interesting turn if the President handles it through a concerted effort with Latin America via the OAS."

Arias, who returned to Panama early this morning, said that if this alternative is successful, "it could mark the beginning of a more mature relationship between Latin American and the United States in solving common problems."

PRD Official Criticizes U.S. Military Activity
PA1007174589 Mexico City EL DIA in Spanish
3 Jul 89 p 14

[Interview with Nils Castro, Democratic Revolutionary Party (PRD) international relations secretary and presidential adviser, by Enriqueta Cabrera—date and place not given]

[Excerpts] [Cabrera] Luigi Enaudi, U.S. representative to the OAS, said recently that a military intervention in Panama has not been ruled out. What is your opinion of those remarks?

[Castro] On the one hand, we see a policy of threats against the Panamanian people, and on the other, we see the Latin American foreign ministers being coerced. The threats against the Panamanian people take different forms, but one's attention is drawn to the fact that it is the U.S. representative to the OAS who is making threats. This reaffirms the impression that these threats have been made with an eye to the OAS Council meeting on 19 July. These threats are aimed at the Latin American foreign ministers rather than directly at Panama.

This is related to the violations of the canal treaties. They are again being violated with military maneuvers that fall outside what is established by the treaties. This shows that the United States wants to commit illegal and unilateral actions on Panamanian soil.

[Cabrera] Do you think that Enaudi's position on the role of the OAS mission is somewhat strange?

[Castro] Enaudi insists on openly lying about the OAS role and resolution by saying that the OAS commission has the task of bringing about a prompt transfer of power in Panama. This is not what is stated in the resolution that created the commission to seek formulas of agreement among Panamanians to continue the democratic process. Enaudi speaks of another function: that of guaranteeing a transfer of power. This would be a clear

and obvious act of interference, something the OAS resolution itself condemns. Facts are being distorted, and there is an effort to manipulate the OAS. [passage omitted]

[Cabrera] I understand that the United States is carrying out other actions and military provocations against Panama.

[Castro] That is right. There is an obvious escalation of these actions. It must be stressed that at the same time that U.S. regular troops carried out actions in Gamboa, other actions are being carried out using irregular forces. The Nicaraguan contras are now being used. They are being transferred to Costa Rican territory so that aggressive actions can be planned against Panama from there.

It is well known that before the Panamanian elections were held at the beginning of May, a large number of contras had already been flown by U.S. Air Force planes from Honduras to locations in Costa Rica very close to the Panamanian border. At the beginning of May, an average of two or three daily flights of U.S. Air Force Galaxy transport planes took 700 to 800 Nicaraguan contras with all their combat gear from Palmerola, Honduras, to Golfito, Costa Rica. One hundred and fifty containers, presumably filled with military supplies, were moved from Golfito to Villa Neily and from there further south to Punta Burica. A camp had already been set up, and it included 30 10-wheel trucks and approximately 40 military jeeps. Several military ambulances were also parked in the Villa Neily area, and the local hospital was expanded.

A particularly worrisome situation is that these same people are buying large pieces of land in Costa Rica along the Panamanian border. Most countries have laws making it illegal for foreigners to buy land on the border. I do not know what the Costa Rican laws say about this. Nevertheless, the Nicaraguan contras who have been brought to Costa Rica are buying land along the border with Panama.

In addition to the intimidating and threatening military operations that the U.S. Army is carrying out from the Panama Canal area in violation of the treaties, the United States is also preparing a military action from Costa Rica against Panama. This is an indication of the U.S. intention to organize a military coup from an area far from the canal.

[Cabrera] One must presume that President Oscar Arias' administration is aware of these actions, because if it is not, that lack of knowledge also would be very alarming.

[Castro] It has been said that Costa Rica is an unarmed country because it eliminated its army in the early 1950's and that because of this, it cannot detect irregular actions in its territory. This is not the case on this occasion, because the level of activity is very large. We are talking about two or three daily landings of Galaxy planes in

Golfito. We are talking about something too obvious for the Costa Rican authorities not to see. It is clear that the authorities must know about the deployment of nearly 1,000 men with combat gear who are setting up contra camps in such a densely populated area as Costa Rica's southwestern Pacific coast region.

Costa Rica has enough forces to guarantee the enforcement of Costa Rican laws and the government's political decisions. The fact is that with the Rural and Civil Police, Costa Rica has more than 16,000 armed men—in other words, more than the Panamanian military and more than double the number in the Nicaraguan National Guard in Somoza's time. Also, Costa Rica receives a lot of military aid from the United States; El Salvador is the only country in Central America that receives more U.S. military aid than Costa Rica. [passage omitted]

PRD's Duque on U.S. Army 'Aggressions'
PA0707031589 Panama City CRITICA in Spanish
5 Jul 89 pp 10, 11

[Report on interview with Democratic Revolutionary Party President Carlos Duque Jaen in Panama City on 4 July]

[Text] In response to the latest actions perpetrated by the U.S. Army, whose powerful presence has been felt in Panamanian territory, CRITICA interviewed Carlos Duque Jaen, leader of the Democratic Revolutionary Party [PRD], who did not hesitate to take advantage of this historic juncture to express a few thoughts that may be of interest to and serve as guidance for the Panamanian public in general and PRD members in particular.

"After stoically resisting more than 70 U.S. aggressions, the Panamanian people are no longer intimidated by the attacks launched by the strongest army in the world against a defenseless people, whose only sin has been its struggle for total liberation," Duque said. He added: "In our innermost and genuinely patriotic feelings, we have discovered a vaccine that makes us immune to threats, shows of military might, and so many other acts of indescribably senseless arrogance."

Duque insisted that the Panamanian people are not frightened by the sight of gringo troops parading in combat gear, nor were they frightened in 1964 when hundreds of fellow patriots were willing to lay down their lives in defense of their fatherland's sovereignty and territorial integrity.

Duque said that neither Panama's leaders nor its people are enemies of the U.S. people, but he stressed that U.S. Government actions—such as the change of command at the U.S. Southern Command—are aimed at further hampering the countries' traditional bilateral relations. Upon taking over as U.S. Army South commander, General Marc Cisneros made absurd statements that undermined the OAS' mediating efforts, sought to

heighten the hostility already existing between the two nations, and did away with the alternative of dialogue in which the PRD and its leadership have always been willing to participate. Cisneros again made senseless remarks on 4 July, when he claimed responsibility for the latest aggressions.

When asked to expound on his personal views regarding the invasion of Gamboa and the seizure of the Chilibre water purification plant, Carlos Duque added: "Not even the Southern Command's spokesmen can deny—as they have traditionally done—the invasions perpetrated on various occasions of Panama's sovereign territory. The obvious provocation was filmed and has been shown to the entire world. To perpetrate the infamous occupation of reverted areas in Gamboa, the invasion of Chilibre, and the interrogation of the IDAAN [National Water and Sanitation Institute] employees at the main water purification plant in the country, the U.S. Army selected a group of disrespectful and arrogant soldiers led by a general whose curriculum includes crushing defeats in Vietnam. That general is Marc Cisneros, whom the Panamanians will always remember as the ranking officer who never thoroughly understood Panamanian history nor his own origins. He was born in Texas, a territory which, as we all know, along with California, Arizona, and New Mexico, was viciously seized from the Aztec people, whom the Americans also abused, thanks to their fleeting military superiority."

Duque added: "In truth, his Mexican ancestors should force Cisneros to observe greater decorum instead of using armored gunships, tanks, troops, and communications equipment that are worthless because their only purpose is to allow Americans to wage a war in which they can never find the enemy."

When asked what other consequences these intimidatory actions would have for the United States, the former presidential candidate said: "I believe that neither the Pentagon nor the State Department can say that the Panama Defense Forces [FDP] has harassed Americans living in Panama. Furthermore, the entire country is aware of the shameless exhibition the Americans staged recently. Washington's spokesmen will be forced to rescind their accusations and false reports. [no end quotation marks as published]

When CRITICA asked the PRD National Executive Commission president about the U.S. Army's true intentions, Duque responded: "The heroic feats of Cisneros and Woerner [commander of the U.S. Southern Command Fred Woerner] basically seek to exhaust our patience. Their boasts, threats, and increasingly frequent incursions are aimed at provoking even a minor incident in an attempt to justify before the world a large-scale barbaric action modeled on the infamous 1965 invasion of the Dominican Republic. The PRD proclaims before the world, more energetically than ever, that we are a

nation that has already been militarily invaded, and that, under the circumstances, we issue an appeal for the strongest international solidarity."

Duque stressed his denunciation before all the other nations in the world of the fact that troops sent in May by U.S. President Bush are not protecting civilian personnel working in the canal area. Instead they have been sent to repeatedly leave their barracks with the sole intention of creating a warlike atmosphere—which the aggressors need to carry out their plan for a frontal attack against Panama, to be followed by the abrogation of the Torrijos-Carter Treaties, the dismantling of the FDP, the forfeit of our national identity, and the imposition of a government of lackey accomplices to the infamy perpetrated against our nation. However, despite all this, our nation will NEVER give up the defense of its rights and the recovery of its territory.

Referring to recent publications on negotiations and a dialogue between the FDP and the opposition parties, Duque said: "Time—an inexorable judge—has proved to many skeptical fellow citizens that General Noriega was not the problem in the current confrontation, which was masterminded by the United States. Many people doubted this, even though Noriega himself said so and many other Panamanians confirmed it. However, even those people now concede that Noriega is not the problem, given the grave and harsh turn of events. The problem is the canal, the abolishment of the treaties, the extended presence of U.S. military bases, and the attack against friendly nations."

"Frankly," Carlos Duque asserted, "the attacks have taken place because it was Noriega's turn to lead us along the final stretch of the road toward our total liberation and permanent independence. This last stretch of the road is rife with conflicts, slander, obstacles, and insults, which tend to increase with the cooperation of evil Panamanians, who were born among us but who are willing to prosper and get rich as toadies of the Yankee forces of domination. Today it is Noriega's turn; yesterday it was Torrijos' turn; and tomorrow it will be the turn of any other patriot who tries to stop an empire that will do anything to avoid losing its supposed hegemony."

CRITICA obtained an exclusive scoop: the complete list of official and private organizations from innumerable nations that have expressed their solidarity with the PRD at this historic hour. The party president added: "We denounce before friendly nations—with the loud voices of those who feel sure of their rights—the Yankee troops' occupation of Panamanian towns far away from the designated areas along the inter-oceanic canal. We urge our brothers in the American continent to continue to give us their support—which is so valuable during these difficult times. The imperialist claw's gouging may be supported by some rulers who barter with the dignity and traditional courage of our race, but it will never be supported by the friendly people who are ruled by these bad leaders."

Duque continued: "The Panamanian nation stands proud, firm, and secure in its convictions; we continue to oppose any act of violation and arrogance because we are certain that all free men of a rebel and combative Latin America WILL WIN together the battles that are part of the irreversible process leading toward our final emancipation."

Duque also revealed that the PRD maintains its combative position in its readiness to defend national integrity, while other groups fulfill their tasks to analyze, evaluate, and follow up on contingency plans so that the country may advance securely toward noon, 31 December 1999, the date on which—according to the canal treaties—the waterway will fully revert to Panama. "The 1990's will also find us duly prepared for this. We will have the necessary creativity and capability to overcome problems. The 1990's will be decisive in this regard; we cannot fail our people," Carlos Alberto Duque said, who, for many fellow citizens, is the president-elect of the Republic of Panama.

'Note' on PCC Administrator Sent to U.S. Envoy
PA0707160089 Panama City CRITICA in Spanish
7 Jul 89 pp 1, 10

["Note" sent by Rodolfo Chiari de Leon, government and justice minister and acting foreign minister, to John Maisto, U.S. Embassy deputy chief of mission; dated in Panama City on 5 July]

[Text] Your Excellency John Maisto,

U.S. Embassy Charge D'Affaires [title as published],

Panama City

Mr Charge D'Affaires,

I have the pleasure of addressing you concerning the 1977 Panama Canal Treaty and specifically the treaty's clause (C) of Paragraph 3 of Article III, which establishes that as of 1 January 1990, a Panamanian citizen will be appointed to the post of Panama Canal Commission [PCC] administrator. The clause also establishes that the said Panamanian citizen will be proposed by Panama and appointed to that post by the United States.

Therefore, this note has the purpose of officially notifying Your Excellency that, in accordance with the 1977 Canal Treaties' clause mentioned earlier and with the procedures established by Law 16 of 27 June 1989, Panama proposes Panamanian citizen Tomas Gabriel Altamirano Duque to the United States for appointment as PCC administrator in due time. The Panamanian citizen must take over his post on 1 January 1990.

Likewise, I notify Your Excellency that by virtue of what is established in Article 7 of Law 16 of 27 June 1989 concerning the procedures to appoint the PCC Panamanian administrator and other measures, a copy of the current note will be sent to the OAS and UN Secretariats General.

I use this occasion to express to you my most distinguished esteem,

[Signed] Rodolfo Chiari de Leon, Panamanian Government and Justice Minister and acting Foreign Minister

Endara Reports Meeting With Senator Dodd
PA0707133289 Hamburg DPA in Spanish 2035 GMT
6 Jul 89

[Text] Panama City, 6 Jul (DPA)—Today, Panamanian opposition candidate Guillermo Endara disclosed that he recently met here with U.S. Senator Christopher Dodd to exchange views on the country's situation.

Endara said that the discussion lasted 1 1/2 hours and that Apostolic Nuncio Msgr Sebastian Laboa participated in part of the conversation.

"There were no agreements of any kind, promises, or commitments," Endara said, adding that it was only "a friendly exchange of opinions."

CRITICA: Southern Command Controls Opposition
PA0707165789 Panama City CRITICA in Spanish
7 Jul 89 p 1

[Text] Openly and without any trace of shame or political dignity, Guillermo Endara, Guillermo Ford, and Ricardo Arias Calderon [members of the Panamanian opposition presidential ticket] have fallen into the hands of the U.S. Southern Command generals. It is those generals who demand beginning and ending dates and times for dialogue among Panamanians to solve the country's current crisis.

In fact, as soon as a luncheon at the Apostolic Nunciature between the aforementioned opposition leaders and U.S. Southern Command Generals Marc Cisneros and Fred Woerner ended, the candidates of the Gringo opposition alliance rushed to tell the media that they "demanded a dialogue" with the PRD [Democratic Revolutionary Party] and the Panama Defense Forces.

According to statements by Endara, last week he received instructions from U.S. Congressman Christopher Dodd during their 1 and 1/2-hour meeting. During his visit to Panama, Dodd stayed at a U.S. Base; according to Endara himself, Apostolic Nuncio Msgr Sebastian Laboa also attended the meeting with Dodd.

Generals Cisneros and Woerner held a meeting at the Apostolic Nunciature at noon on 6 July. Finding themselves surprised by local and foreign reporters, Cisneros and Woerner tried to evade them by leaving through the Nunciature's back door.

The last two actions confirmed again that it is the Gringos who lay down the guidelines and obviously give economic support to the local opposition, which does not move a finger if it does not have the authorization—now direct authorization—from the U.S. Southern Command chiefs.

Minister Explains Financial Status With IMF

PA1107031489 Panama City Circuito RPC
Television in Spanish 2300 GMT 7 Jul 89

[Text] Planning and Economic Policy Minister Gustavo Gonzalez has stated that the Panamanian community is not clear about the meaning of the IMF decision to declare Panama ineligible for further financing.

[Begin Gonzalez recording] A clear fact is that Panama has not met certain obligations with the IMF since December 1987. Therefore, according to IMF regulations, Panama cannot be a recipient of IMF services, mainly the financing of the balance of payments. It is not a matter of discussing the peculiarities of the Panamanian balance of payments. Panama uses the dollar, a currency internationally used as foreign exchange. However, Panama uses it as the local currency and this is a peculiarity.

Panama, a member of the IMF since 1946, has not used the IMF services as much as other countries which have been members for that long. In fact, it did not begin to get IMF financing until 1978 precisely because of its very special monetary situation.

It is not surprising then that the IMF made this announcement practically 18 or 19 months after Panama failed to meet its obligation. As I said, it stopped paying in December 1987 and the IMF is now merely taking a step within its regulations to take care of this situation. Nothing else will happen because it has not been giving Panama any financing for a long time and it will not continue to give us any financing.

However, this could have an effect on private creditor banks to which Panama owes money and on any decisions they may make. The government is currently taking care of that situation.

As with the IMF, Panama's relation with these banks is characterized by frankness and cooperation. Thus, these creditor banks are receiving all the information they need to understand our country's fiscal and financial situation and its plans.

This fiscal and financial situation is the result of an aggression that is cutting off the revenues the state receives. Consequently, as time passes, the country keeps falling behind in its obligations. Panama's creditor banks are being duly informed about this and we believe our current financial status with them will not vary.

Bank Restrictions Extended Until December

PA0707020589 Panama City LA REPUBLICA
in Spanish 30 Jun 89 p 15

[Report by Jorge Calvo]

[Text] Edgardo Lasso, president of the National Banking Association and member of the National Banking Commission, recently told this newspaper that the Banking Commission met and agreed to extend restrictions on savings and time deposit accounts—which amount to approximately \$2 billion—until December.

He said December was used as the next deadline in the hope that the country's situation will return to normal, which will allow those restrictions to be lifted. Lasso added that the restrictions on savings accounts expire on 30 June, and a decision had to be made before then.

Asked about complaints by certain businessmen who demand they be given 25 percent of their savings and time deposit accounts, Lasso said many alternatives have been discussed. However, it is a fact, he stressed, that a large number of banks would have to close if those restrictions were lifted.

Asked how much money is deposited in Panamanian banks, Lasso replied: "I do not have an exact figure right now, but we are talking about approximately \$1-2 billion—a large amount. However, it must be recalled that a great percentage of this money was invested in long-term loans in this country."

Lasso concluded: "We will not be able to return the money to depositors at this time. We took this measure in an effort to save the banking system, and it will remain in effect until the situation returns to normal."

French Embassy Rejects 14 July Ceremonies

PA1007221689 Panama City ACAN in Spanish
2034 GMT 10 Jul 89

[Text] Panama City, 10 Jul (ACAN-EFE)—The French Revolution's bicentennial commemoration on 14 July will not be a national holiday in Panama, which had been proposed by the Panamanian Government, because the French Embassy has refused to participate in the commemorative ceremonies planned by Panamanian authorities.

A French source, who informed ACAN-EFE of the embassy's rejection, said the decision was made because "14 July is, among other things, a commemoration of the people's right to choose their own government."

The French Embassy's decision—that the day will only be celebrated within the French community in Panama—has thwarted the Panamanian Government's plans to make 14 July a "national holiday."

On 20 June, Government and Justice Minister Rodolfo Chiari presented a bill at the Legislative Assembly calling for 14 July to be declared a "national holiday" in commemoration of the French Revolution's bicentennial.

During the debates on the bill, Chiari pointed to "the close ties of friendship and mutual cooperation" between the two countries and referred to the "principles established in the Declaration of Human Rights that resulted from the French Revolution."

Legislative sources informed ACAN-EFE that the government's initiative was withdrawn in light of the French Embassy's refusal to participate in official ceremonies but the date may be declared a holiday for government employees.

Up until the 7 May elections, which were later annulled, the French Government was the European country that maintained the best relations with the current Panamanian regime. In 1987, shortly before the Panamanian crisis, France bestowed the Legion of Honor on General Manuel Antonio Noriega, chief of the Panama Defense Forces and Panama's "strongman."

French Ambassador Jacques Rummelhardt attended the military parade organized by the U.S. troops stationed in Panama on 4 July, the U.S. independence holiday.

Relations Established With Maldives

PA1107033489 Panama City Televisora Nacional
in Spanish 2300 GMT 8 Jul 89

[Summary] The Panamanian Foreign Ministry's Information Service has announced that Panama established relations with the Republic of Maldives. In a joint communique, both nations noted that they were establishing relations at the ambassadorial level effective 10 July.

Argentina

Reportage on New Government Activities, Transition

Menem Talks to Foreign Media

PY1007170889 Buenos Aires Argentina Televisora
Color Network in Spanish 0155 GMT 10 Jul 89

[News conference by President Carlos Saul Menem with foreign correspondents at Olivos Residence on 9 July, recorded—name and affiliation of foreign journalists announced by government official]

[Excerpts] [Passage omitted] [Visardi, UPI] Mr President, during the electoral campaign you said that British property in Argentina might have to be expropriated. Today, Foreign Minister Carvalho and you, yourself, said Argentina is ready to reestablish relations with the United Kingdom, if the Malvinas Islands issue is left aside. Can you clarify whether these two statements are part of a single context, part of a single policy, or whether they are contradictory?

[Menem] No, they are not contradictory. They are part of one policy and are within a single context. We have been considering the possibility of holding talks, of negotiating the issue of Argentine-British relations, while leaving aside the issue of sovereignty over the Malvinas Islands. We do not want to set it entirely apart; we want to protect it, shelter it under an umbrella or a glass cover. These are fundamental matters. Until Mrs Thatcher or the United Kingdom mentions the sovereignty issue, we will keep the issue protected by not mentioning it. Meanwhile, we will advance with talks to reestablish relations with the United Kingdom.

[Visardi] Can I make my question a little clearer? You have mentioned the possibility of expropriating British property in Argentina.

[Menem] This expropriation would be a reaction to British depredation in Argentina's southern region, in Argentine waters. This would be an economic reaction to economic confrontation. For us, what is happening in the southern seas and the exclusion zone created by the United Kingdom are an attack on our country's economy. Therefore, I said we would counteract this type of measure with a measure of a similar extent. This possibility, however, will be part of the agenda for the talks our administration will probably start with the British Crown. The fundamental point of my answer, however, is that the sovereignty issue will be sheltered, protected, covered with an umbrella, or whatever you want to call it, by my administration. [passage omitted]

[Carlos Vanella, Mexico City EL DIA] Mr President, will your administration treat the foreign debt issue and the issue of relations with foreign financial organizations differently than the previous administration?

[Menem] The electoral platform of the Justicialist Popular Unity Front referred to the treatment of the foreign debt and based its treatment on talks with our creditors, and on the possibility of obtaining a grace period, a postponement of payments, a mutually agreed-upon moratorium, a reduction in the amount of principal, or a reduction in the interest rates. We will have to hold permanent talks with our creditors on all that. What is the difference between the treatment to be given to the issue and the treatment given to it by the administration that left office yesterday? Well, there may be several differences. One of them, however, shows how different our attitude toward this issue is: We will adopt all the necessary measures in accordance with the law and with Congress. I still cannot understand why a constitutional administration, such as the previous one, did not submit its debt policy to Congress. This is not criticism; it is simply a matter that I cannot understand. We will submit our ideas to Congress. Article 67, Item 6, of the National Constitution clearly states that foreign and domestic debts must be decided upon by the National Congress. Therefore, the National Congress, which represents the Argentine people and the Argentine provinces, will help decide how to treat the foreign debt issue.

[Rowen Biggs, BBC] About the Malvinas, are there possibilities of putting an end to hostilities with the British soon?

[Menem] This will be part of the talks we intend to start with the United Kingdom if the British are willing to. I insist, however, that I am ready to start talks about relations with the United Kingdom, but only if the issue of sovereignty over the Malvinas Islands is left out of the talks. Please understand me. It is not that I want to set it aside, to forget it. I want to make this point very clear so that my words are not misinterpreted. I want to protect the sovereignty issue, to leave it under an umbrella [preceding word in English], as you British people say. But let me tell you that we believe—we are entirely convinced—that the Malvinas Islands are Argentine.

[Monica Wenachier, O GLOBO]...

[Menem, interrupting] Besides, I would like to ask you to take the trouble, although I realize that the task may be boring, of reading the message I addressed to Congress yesterday. Argentine opinion on the Malvinas Islands issue is clearly stated there.

[Monica Wenachier, O GLOBO] When the topic of bringing peace to Argentine society is discussed, three ways of solving the problems of the military and of the former guerrillas are mentioned: the possibility of granting them a presidential pardon, of commuting their sentences; the possibility of obtaining congressional approval for a law expanding the extent of the Due Obedience Law; and the possibility of resorting to the per-saltum solution. I would like to know whether any of these measures will be adopted, which one, and when.

[Menem] We are studying all of these measures. We cannot discard any of them because we are discussing the peace within Argentine society.

I have been very clear: I will accept all legal possibilities and reject all the illegal ones. All the measures you have mentioned are legal and in keeping with Argentine and international laws.

[Monica Wenackier] Can the formula to be adopted be a mixture of the three possibilities?

[Menem] We, ourselves, still do not know. The doubt remains.

[Jean Pierre Galois, AFP]...

[Menem, interrupting] I cannot understand why there is so much excitement about the Argentine military issue. Foreigners ask much more about it than Argentines do. [passage omitted]

[Mario Ovalle, Santiago EL MERCURIO] Mr President, both you and Foreign Minister Cavallo have stated that priority treatment will be granted to the subject of Latin American integration and, especially with Chile. I would like to know what concrete steps will be taken and what will be the difference between the policy of your government regarding Chile with that of the radical government. I would also like to know whether the change of policy foresees your possible meeting with President Pinochet.

[Menem] Well, nothing has been established yet regarding a meeting with the Chilean president. All I can say is that our desire for integration does not take ideologies into account. We have a very clear idea of the meaning of international law, of the people's right to self-determination, and non-intervention by one state in the domestic affairs of another. For us, the basic issue is integration and we are going to strive for this together with all Latin American countries.

[Mario Ovalle, Santiago EL MERCURIO] What concrete measures could we mention as part of this integration process?

[Menem] Dialogue, talks, trade between Chile and Argentina, the solution of our border conflicts along more than 5,000 km-long border line, etc. There are many facts that may play a significant role in this integration process. [passage omitted]

[Mauricio Cardoso, JORNAL DO BRASIL] Mr President, excuse me for insisting on the military issue. Does your solution to this subject include an end to debates on human rights and the recent cases of indiscipline within the barracks?

[Menem] I will repeat what I have said before. I have enough moral authority to discuss this subject since I spent 5 years in prison and was banned for 18 years from participating in political activities. In addition to having been in prison I was banned from political activities. In sum, 5 years in prison and 18 years banned from political activities adds up to 23 years during which I was not able to carry out political activities. Like many politicians in Latin America and other parts of the world, I had to act clandestinely during the hard times when the military governments and the dictatorships ruled here in the Argentine Republic. If I continue to think about the past, and what I went through, I will bury Argentina under that past. I want to look forward. One has to have lost one of those rights in order to learn how to defend them properly. I fully respect human rights, but peace must return to Argentina and the Argentine people must be reconciled. I assure you that we are going to achieve this goal. Sooner or later we will achieve it within the framework of the law. [passage omitted]

[Karin de Begerger, Chilean Television Channel 13] Mr President, in your capacity as governor you were the only peronist governor to support the Peace Treaty with Chile. This treaty not only appealed for peace but also talked about integration. Pope John Paul II displayed great foresight in this regard. I would like to reiterate the question put by EL MERCURIO correspondent: What concrete steps will our two countries take to promote integration taking into account the long border that has divided us, due to our ideological differences, for so long.

[Menem] Well, I will give you the same answer. We must open the passes on the Andean mountain range...[interrupted by journalist]

[Karin de Begerger, Chilean Television Channel 13] But what concrete steps?

[Menem] Look here. Argentina and Chile...[Menem pauses] all Latin American countries are two-ocean countries. Therefore, Chile must have access to the Atlantic, and Argentina must have access to the Pacific. This is where this integration process is heading. For this we must build highways, establish air services, perforate the mountain range as many times as is necessary, so that we may have access to the Pacific and you, Chileans, may have access to Argentina and to the Atlantic. Dialogue, I repeat, must be permanent and constant. Moreover, Chile is experiencing a decisive moment in its history. It is heading toward its democratization. I think you will be holding elections at the end of year or the beginning of next year, in March.

[Karin de Begerger, Chilean Television Channel 13] Elections will be held in December and a new government will take over in March.

[Menem] Very well. In March Chile will return to democracy and this task will be intensified even more so. Therefore, there is nothing more to be said. We have no

alternative but to carry out this integration process, and the dialogue is already underway. The Peace Treaty with Chile is part of this integration process, and this is why I gave my support from La Rioja province to this Peace Treaty. [passage omitted]

[name and affiliation indistinct] In your address to Congress yesterday, you mentioned the [passage indistinct]. On 19 July the Nicaraguan people will celebrate the 10th anniversary of the defeat of the Somozist dictatorship. Since then, pressure and war have not allowed this country to develop. Moreover, the Contadora Group and the Contadora Support Group, of which Argentina is a member, were formed. How is your government going to use the imagination you talked about yesterday to bring peace to Central America, and Nicaragua especially.

[Menem] We are going to try to bring peace to Nicaragua through the Contadora Group, the Group of Eight, and even the Group of Six. We are going to help the Nicaraguan people exercise their right to self-determination. This will be possible very soon. I think elections in Nicaragua, according to what Commander Daniel Ortega told me, will be held in February instead of November 1990. I also understand that the United States has agreed to intervene and to supervise those elections. They are on the right path. What I would like to say is that we will do our utmost so that Nicaragua may be respected as a sovereign nation.

In this regard we will not hesitate; we will act frankly, with conviction, and with a spirit of solidarity with the people of Nicaragua. I believe that Nicaragua is giving a good example in this regard. Commander Ortega was telling me that they have released some contras as a sign to the rest of the world that they want to live in democracy and want to avoid this type of pressure. They will also give the so-called contras a chance to participate in the February elections if they can organize a political party. In sum, Nicaragua has released people who have been fighting, people who have been victims but have also been victimizers, and I think that this is a good enough sign that the Nicaraguans also desire to live in peace. [passage omitted]

Reaction to Inaugural Address

PY1107001189 Buenos Aires NOTICIAS ARGENTINAS
in Spanish 1720 GMT 8 Jul 89

[Text] Buenos Aires, 8 Jul (NA)—Officials of the new government, and Peronist and UCR [Radical Civic Union] deputies, have concurred in praising the inaugural address made by brand-new President Carlos Menem to the legislative assembly after taking the constitutional oath of office.

Eduardo Angeloz, the governor of Cordoba Province and Menem's former adversary in the past election, has expressed his willingness to cooperate with the head of state, adding that Menem's address was a "moving, serious, and important call to the people."

"This call by Menem is in keeping with the will to strengthen democracy and overcome the serious economic crisis, and for this reason we wish him the best of luck in his tenure," the UCR leader emphasized.

Interior Minister Eduardo Bauza has said that the new president "has been able to express what the people want: their unyielding desire for social justice." Bauza added: It is clear from the address that "privileges will end" in Argentina.

Bauza added that the specific foundation of democracy was formulated in the objective of reaching a new "federal pact and a political pact."

Defense Minister Italo Luder has emphasized that Menem "has made a very clear description of the situation in which he is receiving the country." Talking about the speech, Luder noted: "It has been very clearly pointed out that it is necessary to reverse this situation through everyone's effort, which is the purpose of the call made by the president."

Maria Julia Alsogaray, a UCEDE [Democratic Centrist Union] leader and ENTEL [National Telecommunications Enterprise] trustee under the Menem administration, has said that "it was the type of address expected by the people, without technicalities, expressing a willingness to struggle and envisaging the future."

"If we were not optimistic, we would not be in Argentina cooperating with the government of Dr Menem," the UCEDE leader concluded.

For his part, Senator Jose Antonio Romero Feris has described the address as "generous and broad because it has called for national unity. The president also talked about changing the role of the state and strengthening federalism."

"I expect that all those good intentions will be fulfilled, that production will be stimulated, and that speculation will be punished," Romero Feris added.

UCR deputy Lucia Alberti has said that the address by the head of state had "indications of good ideological substance, especially when he talked about Latin American unity and when he emphasized the equality that should exist between a child from La Quiaca and a child from Buenos Aires."

Alberti also noted the remark that the government "will not be authoritarian, but that it will be one with authority, without any ideological harassment," emphasizing that she was "strongly impressed by the fact that Menem has already talked about pardoning the military."

For his part, Justicialist Deputy Miguel Angel Toma has said that from the presidential address it follows that "it is now or never, because we have reached the bottom in this country, and it would be criminal to miss this opportunity to change things."

Toma pointed out that he is unaware of the existence of any project to pardon or amnesty the military, adding that "this issue depends on President Menem, who announced that he has ideas to solve this situation and deserves to be respected."

Socialist Deputy Guillermo Estevez Boero has said that the address delivered by the head of state was "positive because it objectively defined the crisis the country is experiencing," emphasizing that "this is a step forwards because it is impossible to overcome the crisis without describing it."

Estevez Boero praised the call made by President Menem, pointing out that "this call will be implemented only after the proposal of Economy Minister Miguel Roig is disclosed."

After emphatically and repeatedly praising Carlos Menem's address, Labor and Social Security Secretary Roberto Digon condemned "the attitude of some business sectors who have undertaken a violent campaign of marking up prices."

Digon said that "those sectors seem to engage in double talk and adopt a regrettable and shameful attitude involving flagrant human rights violations, because there are people in Argentina who do not have enough to survive."

Jose Luis Manzano, the leader of the Justicialist bloc in the Chamber of Deputies, has said that "the president's words have emphasized something he has said before, that Argentina will begin a period of production and reactivation, putting an end to privileges."

Manzano said: "We have received a country with a \$64-billion foreign debt, 9 million poor, and 1 million unemployed and it is necessary now to pull the country out of this situation."

UCR Deputy Marcelo Stubrin has described as "unfortunate" the words of his UCR colleague Anibal Reinaldo, who criticized the economic performance of the outgoing UCR administration.

Concerning Menem's address, Stubrin said that "we are awaiting the government's initial economic measures so that we may examine them." Stubrin added that he is

"concerned about those who, beginning 1 May, have plundered our people, destabilizing the former government and seeking to condition the next government."

Progressive Democratic Deputy Alberto Natale has said that he "agrees with the sincere call for the unity of our fellow countrymen," adding that "the guidelines of future policies indicate there is an understanding of the problems and suggest an appropriate way to handle them."

Culture Secretary Julio Barbaro has said that he is "extremely satisfied" with the president's words and emphasized that "according to my personal recollections, there is no room for any concern" regarding Menem's future performance.

Barbaro added that "the Radical Civic Union (UCR) has scored some successes and we must affirm and continue this policy, promoting a pluralism reflected by facts and avoiding the risk of becoming estranged from society."

Socialist Deputy Simon Lazara has said that Menem's address "included a general call, from which no one should feel excluded, adding that 'we will have to see how this will be implemented.'"

Christian Democratic Deputy Alberto Aramouni has said that the presidential address showed that there will be a "new liberal economic management with substantive sacrifice by 90 percent of the people."

"We do not want this extremely serious crisis to become worse; and we want the basic needs of the people, who live in a condition of extreme poverty, to be met without any type of paternalism," Aramouni concluded.

Alfonsin Resignation Released

PY1007211689 Buenos Aires TELAM in Spanish
1344 GMT 8 Jul 89

[All quotation marks as received]

[Text] Buenos Aires, 8 Jul (TELAM)—This morning, shortly after the resignation of Dr Alfonsin and Dr Martinez were accepted, the text of the president's resignation, which had been tendered on 30 June, was released in congress.

In his resignation, Raul Alfonsin expressed his "strong conviction" that his administration's "space for action" was "too limited to successfully cope with problems in which any delay would result in greater suffering for everyone."

In this resignation, Alfonsin added that, therefore, his conscience forced him to make an attempt "to moderate the people's sacrifice" through his personal sacrifice, "without causing delays that could hinder the transition

between two equally democratic administrations." Preferring "the country's well-being to any other consideration," he had decided to resign the post of president, Alfonsin's resignation noted.

Here is the full text of Dr Alfonsin resignation:

"Honorable Argentine Congress:

"I have the honor of addressing this honorable Congress in order to tender my resignation to the post of president of the Argentine nation.

"In a speech addressed to the Argentine people on 12 June, I thoroughly explained my reasons for making this decision. These reasons arise from a strong conviction. The current administration's space for action is too limited to successfully cope with problems in which any delay would result in greater suffering for everyone.

"My conscience forces me to attempt to moderate the people's sacrifice through my personal sacrifice, causing no delays that could hinder the transition between two equally democratic administrations.

"Therefore, exercising the supreme political responsibility of preferring the country's well-being to any other consideration, I have decided to resign on 8 July 1989 the post of president of the Argentine nation vested in me by the Argentine people on 10 December 1983.

"From that memorable day until today, a political period has been completed. During this political period, a joint effort by all Argentines has made it possible to strengthen the institutions and, for the first time in decades, has allowed the transfer of power between two civilian presidents who were both consecrated by the people's will, abiding by the constitution.

"I want to express my profound appreciation to the people, who have honored me with the nation's highest investiture, for their understanding and their decisive role in this period of reconstruction and strengthening of democracy.

"God save the honorable Congress."

[Signed] Raul R. Alfonsin

Presidents Discuss Issues

PY1107021089 Buenos Aires TELAM in Spanish
1843 GMT 9 Jul 89

[Text] Buenos Aires, 9 Jul (TELAM)—This morning President Carlos Menem met with four Latin American presidents at the Uruguayan Embassy. During the meeting Menem stressed the need for Latin American integration.

The meeting took place between 0800 and 0900. Uruguayan President Julio Maria Sanguinetti, Brazilian President Jose Sarney, Peruvian President Alan Garcia, and Paraguayan President Andres Rodriguez participated in the meeting.

The heads of state analyzed the Latin American situation, the participation of some of the nations presents in the Group of Eight, the international reality, and the complex situation in Panama.

After the meeting the presidents, who attended yesterday's ceremony to inaugurate Menem, returned to their respective countries.

Menem said he talked with the four Latin American presidents about "the need for integration" in the region.

Sanguinetti said that during the meeting the presidents discussed "the international situation, especially the situation in Panama."

Sanguinetti talked to the press at the Jorge Newbery Metropolitan Airport before departing. He said Menem's speech before Congress was one of "unity and harmony, something that was understood by the population, which is comforting."

Paraguayan President General Andres Rodriguez emphasized "the historic event" of Menem's inauguration adding: "We join in the celebration with President Carlos Menem and the Argentine people."

Rodriguez departed the Metropolitan Airport at 1100. He said the ceremony to transfer power was something "that is not seen everyday, particularly because of its democratic character, because the president from one party handed the sash and baton with all honors to the candidate of another party who was elected by the people to become president."

Rodriguez said he returns "with happy memories of this historic event" in which he participated "with President Carlos Menem and the Argentine people."

Peruvian President Alan Garcia held a news conference before departing this morning. He said it "was inevitable that Latin American countries stop paying their foreign debt because only by using their foreign currency reserves to increase domestic consumption can they increase production."

Garcia said he favored "a productive revolution in Latin America, but not a speculative revolution." He added that "economic power centers have to be controlled before they become a parallel state with supremacy over the government."

Garcia concluded by saying that "just as Argentina 6 years ago was able—for the first time in the continent—to bring military officers to trial for their involvement in coups, so will it now be able to overcome the economic crisis in democracy."

Ortega Calls for Unity

*PY1007194589 Buenos Aires TELAM Spanish
2208 GMT 10 Jul 89*

[Text] Buenos Aires, 9 Jul (TELAM)—Nicaraguan President Daniel Ortega has called upon "Latin American countries to take a common stand" on the foreign debt issue because the United States and the other creditor countries "maintain a monolithic position toward the crisis that plagues developing countries."

Ortega attended the inauguration of the Argentine president and held a news conference for Argentine and foreign journalists. The Nicaraguan president said that he talked with President Carlos Menem during his stay in Buenos Aires and said that the brand-new chief executive had displayed "a positive attitude about giving support, through the Group of Eight, to the Central American peace initiative, based on the agreements reached by our countries."

Ortega indicated that the creditors "take advantage of the lack of unity among our countries to impose their conditions," adding that even though there was a consensus among the Latin American presidents with whom he talked about making joint proposals, the problem is "who will bell the cat?"

About the domestic situation in his country, Ortega admitted that an "IMF kind" of plan is being implemented although he explained that "the technique is being applied in such a way that the indexes and results are interpreted in favor of, and not against, the people."

Ortega added that relations with the United States are "becoming more flexible," and that initial contacts have been made with the European Economic Community because, according to him, "there can be no peace without economic development."

Answering questions about the Central American conflicts, Ortega said that "the main obstacle to resolve the crisis is the attempt by some countries to include in the negotiations the disbandment" of the Farabundo Marti National Liberation Front in El Salvador. "Nicaragua does not agree with this," Ortega said.

Saney Holds Talks With Menem

*PY0807023289 Brasilia Domestic Service
in Portuguese 2200 GMT 7 Jul 89*

[Live report from Buenos Aires by Irineu Tamanini]

[Text] It is now 1928 in Buenos Aires. The first meeting between President Sarney and Argentine President-elect Carlos Menem has just ended. The meeting was held at

the Alvear Palace Hotel and lasted half an hour. The two presidents talked about Latin American integration. President Sarney expressed Brazil's interest in strengthening Latin American integration. Menem thanked Sarney for his presence at the inauguration ceremony tomorrow. He said that one of the objectives of his government will be the economic integration of the region.

After the meeting, President Sarney talked with reporters and referred to the subjects he discussed with Menem.

[Begin Sarney recording in Spanish] I told President Menem [title as heard] that I am here to extend greetings to the Argentine people and government from the Brazilian people and government on the occasion of the transfer of power to President Menem, and to wish him success in his administration. I also want to say that Brazil hopes for the continuation of the Brazilian-Argentine integration.

Menem told me that this is one of the main objectives of his foreign policy. We think that Argentine-Brazilian integration is important to Latin American integration. [end recording]

President Sarney added that he took the opportunity to reaffirm the invitation to Menem to make an official visit to Brazil. Menem accepted the invitation, and this visit will probably take place in the second half of August.

Interior Secretaries Sworn In

*PY1007165989 Buenos Aires TELAM in Spanish
1428 GMT 10 Jul 89*

[Text] Buenos Aires, 10 Jul (TELAM)—Interior Minister Eduardo Bauza today swore in Interior Secretary Oscar Fappiano and Provincial Affairs Secretary Miguel Enrique Nazur. The ceremony was held at the Interior Ministry's Hall of Shields.

The minister also swore in Felix Borgonovo as the new secretary for cooperative action, a secretariat that used to be under the jurisdiction of the Economy Ministry and has been transferred to the Interior Ministry.

New Defense Secretaries Sworn In

*PY1007215889 Buenos Aires NOTICIAS ARGENTINAS
in Spanish 1733 GMT 10 Jul 89*

[Text] Buenos Aires, 10 Jul (NA)—Defense Minister Italo Luder today warned that he will be "inflexible with those who attempt to corrupt the institution but will be understanding with those who want to cooperate."

Luder talked to reporters after swearing in the new secretaries Humberto Romero (Defense), Miguel Angel Cucchetti (Defense Production), and Roberto Oscar Doglioli (Technical Planning).

New under secretaries were also installed, Arturo Sacone in the Political and Strategic Department, Julio Dentone in the Institutional Affairs and Administrative Coordination Department, Ricardo Luis Luder in the Production for Defense Department, and Colonel Alfredo Diaz in the Technical Planning Department.

The ceremony was registered by Government Notary General Natalio Echegaray.

Brigadier General Teodoro Waldner, chief of general staff; and the chief of staffs of the Army, General Francisco Gassino, the Navy, Admiral Ramon Acosta; and the Air Force, Brigadier Ernesto Crespo, attended the ceremony.

National Border Police Commander Matias Urruti and Naval Prefecture Commander Juan Mosqueda were also present.

Luder thanked the military commanders for their presence at the ceremony and urged them to begin "the hard work together, because there is no longer a margin for errors."

Minister Luder said: "We will carry a single flag: the flag seeking to push Argentina forward."

Defense Secretary Romero said: "Our country has long been trying to achieve a coordinated and integrated defense policy." Romero added he favors an increase in military production "to supply future foreign clients."

Armed Forces Chiefs Named
PY1107020089 Buenos Aires TELAM in Spanish
2356 GMT 10 Jul 89

[Text] Buenos Aires, 10 Jul (TELAM)—This afternoon Defense Minister Italo Luder announced the appointment of the new chiefs of the Joint Chiefs of Staff and of the Armed Forces.

Vice Admiral Emilio Osses was appointed chief of the Joint Chiefs of Staff. General Isidro Caceres was appointed Army chief of staff; Rear Admiral Jorge Ferrer, Navy chief of staff; and General Jose Antonio Julia, Air Force chief of staff.

Luder who talked to the press at the Government House after meeting with President Carlos Menem said that General Martin Balza will be appointed deputy chief of the Joint Chiefs of Staff and that the new chiefs will be installed on 12 July.

Atomic Energy Head Named
PY1007170189 Buenos Aires TELAM in Spanish
1543 GMT 10 Jul 89

[Text] Buenos Aires, 10 Jul (TELAM)—At noon today President Carlos Menem installed Manuel Mondino as the new chairman of the National Commission for Atomic Energy [CNEA].

The ceremony began at 1222 [1522 GMT] at CNEA headquarters, 8250 Libertador Avenue, Buenos Aires. Also present were Interior Minister Eduardo Bauza, Presidential Secretary General Alberto Kohan, and Press and Broadcasting Secretary Jorge Rachid.

Tierra del Fuego Governor Appointed
PY1007165789 Buenos Aires TELAM in Spanish
1426 GMT 10 Jul 89

[Text] Buenos Aires, 10 Jul (TELAM)—Interior Minister Eduardo Bauza has announced that Martin Torres, a national deputy for the Justicialist Party, has been appointed governor of the national territory of Tierra del Fuego, Argentine Antarctica, and South Atlantic Islands.

Speaking to the press at Government House after swearing in Interior Ministry secretaries, Minister Bauza explained that the Torres appointment was made within the framework of President Carlos Menem's policy of giving personalities of the country's interior access to public jobs.

Trade Secretary-Designate Resigns
PY1107005389 Buenos Aires DYN in Spanish
1104 GMT 8 Jul 89

[Excerpt] Buenos Aires, 8 Jul (DYN)—Last night, Liberal Deputy Alberto Albamonte resigned his designation as domestic trade secretary, 24 hours before assuming his duties, following a serious internal crisis within the team of assistants to Economy Minister-designate Miguel Roig.

Reliable sources disclosed Albamonte's decision, which was reported to Roig yesterday afternoon, after encountering substantial insurmountable differences with Orlando Ferreres, the economic coordination secretary and virtual economy vice minister, and Eduardo Curia, the economic negotiations secretary.

In both cases serious problems arose concerning the price policy to be implemented by the Justicialist Administration, and Albamonte's obvious intention to promote the abrogation of the Law on Supply, an overture that was opposed by the PJ [Justicialist Party] men.

In addition, it has been interpreted that the removal of the Liberal deputy from the economic management paves the way to implement, beginning next Monday, a price freeze system, which was opposed by the official who prematurely tendered his resignation. [passage omitted]

Thatcher Sends Telegram

PY1007235289 Buenos Aires TELAM in Spanish
2042 GMT 8 Jul 89

[Text] Buenos Aires, 8 Jul (TELAM)—British Prime Minister Margaret Thatcher has sent President Carlos Menem the following telegram:

"I congratulate you on becoming president of Argentina according to the result of democratic elections, and I wish you success."

Menem answered the telegram as follows: "On becoming president of the Argentine Republic, in an act consolidating the irrevocable democratic decision of its people, I thank you for your congratulations, and I also wish you success. Carlos Menem."

British Foreign Secretary Geoffrey Howe has also cabled his counterpart Domingo Cavallo. The telegram reads as follows: "I congratulate you on becoming Argentine foreign and worship minister, and I send you and your country my best wishes."

Minister Cavallo answered: "I thank you for your congratulations, and I also wish you and your country success."

Relations With UK Possible

PY1007223989 Buenos Aires NOTICIAS ARGENTINAS
in Spanish 1926 GMT 9 Jul 89

[Text] Buenos Aires, 9 Jul (NA)—Foreign Minister Domingo Cavallo has admitted the possibility of resuming diplomatic relations with the UK if President Menem's idea that "each party momentarily leave aside the rights that they believe they have" over the islands.

Cavallo said: "It all depends on the British attitude. We are convinced we have sovereign rights over the Malvinas Islands, but we can place the issue on hold and discuss it when the situation permits."

Cavallo stressed that negotiations should be carried out "within the framework of the UN resolution on the issue."

Cavallo said the congratulations Prime Minister Margaret Thatcher sent to President Menem was "the act of a serious country with which we do not have diplomatic relations but which does not leave aside" this type of formalities.

"It is encouraging" Cavallo said, and added: "We hope it is a sign of a favorable attitude toward future negotiations on the topics separating our two countries."

Cavallo also said his government is "pleased" with former U.S. Secretary of State Henry Kissinger's offer to mediate before the foreign debt creditors.

Cavallo said: "Kissinger said he will insist that the foreign debt is a political issue."

Returning to the issue of the Argentine sovereignty over the Malvinas Islands, Cavallo said he hoped that during his administration there will be "progress in the negotiation" tending "to reaffirm our rights" on the islands.

"I can only assure you that we will work hard at it, always within a diplomatic and peaceful path, because it is the best way to advance on the issue," Cavallo stressed.

Ministry Announces Latest Economic Measures

PY1007152889 Buenos Aires TELAM in Spanish
1114 GMT 10 Jul 89

[Text] Buenos Aires, 10 Jul (TELAM)—The Economy Ministry late last night released a communique listing the main economic measures adopted by the government. Herewith the text of the communique:

- 1.- Foreign sector and exchange policy
 - A single exchange rate of 650 australes to the U.S. dollar shall be adopted.
 - The current level of export-dollar withholdings shall be maintained for all exports.
 - Import tariffs shall be reduced by an average 5 percent.
 - The suspension of the payment of commercial obligations owed to foreign countries shall be lifted in the short term.
 - Conversations will begin with the IMF, the World Bank, and the IDB [Inter-American Development Bank] to put our international financial relations back on the right course to renegotiate the debt owed to foreign commercial banks.
 - Broader and more flexible terms shall be enforced for the operations involving foreign currency loans and deposits.

2.- Fiscal policy

- Export-dollar withholdings shall be maintained. This measure, coupled with the increased single exchange rate, will considerably increase the income of the Treasury.
- A special 4-percent tax, which shall be collected only once, shall be levied on foreign debt certificates, treasury bonds, Central Bank bonds, deposits that are tied to cost-of-living index (specifically excluding deposits that earn an interest rate), and [words indistinct].
- A 4-percent tax shall be levied on the assets that Argentine residents are keeping abroad.

- Utility rates shall be increased to compensate for the significant lag in the first half of the year. This increase will permit state-run companies to balance their financial situation. The new fuel prices will be a major source of revenue for the Treasury.

- The following fuel prices shall be in force as of 10 July: premium gasoline, 270 australes per liter; gasoline, 224 australes per liter; gas oil, 140 australes per liter, fuel oil, 67 australes per liter.

Electric power, telephone, and cooking gas rate increases shall be proportional to consumption. For the lower income sector, the rate increase will be 200 percent. The new bus and railway fares, which will go into effect on 17 July, will be announced as soon as possible.

- The hiring of public servants shall be suspended, and those public servants of higher rank whose duties are not necessary shall be discharged.

- While this emergency is in effect, industrial promotion benefits shall be suspended, and the enterprises that were receiving such benefits shall pay all the taxes that had been either canceled or deferred. In compensation, those enterprises shall receive an amount to meet their payroll obligations. This amount shall not exceed the industrial promotion benefits that were suspended.

- Export-dollar withholdings, reimbursements, and export tax returns shall be paid over a 6-month period through a tax credit bonus.

- Ninety percent of the revenues from the taxes on the sale of liquid fuel, gas, and telephone services—which is now allocated to the social security system—shall be allocated to the general income sector of the budget.

Ten percent of these revenues will continue to be allocated to the social security system of the provinces.

- The Treasury will meet the financial needs of the social security system, including those which the Central Bank has thus far met by printing money.

Over a 180-day period, 50 percent of the revenues of the fuel fund, the national energy fund, the national electric power fund, the Chocon-Cerros Colorados fund, and the national fund for large power plants, will be allocated to the general income sector of the budget. At the end of this 180-day period, the allocation will drop to 20 percent.

- The royalties paid to oil and gas producing provinces will be set at 12 percent of local market prices. This is the highest percentage allowed by the law of hydrocarbons.

3.- Monetary and Financial Policy

- The organizational charter of the Central Bank will be modified, eliminating the regulations that permit the provision of direct or indirect financial support to the national government and to the provinces.

- The Central Bank will be given autonomy to discharge its main duty, which is to [words indistinct] the currency value.

- The monetary policy will seek to channel credits to the productive activities of the private sector.

- The legal reserves generated by the system of compensated assets [activos remunerados] will be gradually reduced, as quickly as permitted by the conversion of foreign currency into local currency. This will permit the reduction and the elimination of state-run company deficits. It will also permit the expansion of credit to the private sector.

- Interest rates will be freely established through market mechanisms.

- A deposit guarantee regulation, which will establish a deposit insurance system, will be enforced, replacing the current deposit guarantee system.

- The internal debt, which has been contracted through adjustable treasury bonds, through certificates of Central Bank securities linked with regulated deposits, and with adjustable time deposits, will be rescheduled through the exchange of such certificates or bonds for a new readjustable debt bond. The new bond will expire in 27 months and will be paid in quarterly installments of amortization and interest. The bond, which will have four adjustment options, will be negotiable on the stock market. Without precluding its own system of amortization, the bond may be used for early repayment of loans owed to the financial system, provided the subsidized credits granted by the Central Bank are simultaneously canceled.

4.- Income Policy

In view of the current situation, all workers will receive a monthly emergency bonus of 8,000 australes, which will not be considered as part of their salaries. In addition, workers will be paid an advance on their July salary. This advance will equal the June salary, but it may not surpass 30,000 australs. Both payments must be made before 15 July.

- The salaries of July will be readjusted through the institutional negotiating mechanisms. The entire salary readjustment in the private sector, or part of it, is expected to be absorbed instead of being transferred to prices. This will increase the real value of salaries.

In the private sector, prices will be set by accord between the government and businessmen, and prices will be adjusted, in real terms, to the levels that prevailed in August 1988. During the emergency, the business sector will maintain this adjusted price level and will absorb any effects that the salary adjustment of July may have on prices.

The prices of some basic staples have been set at levels that are significantly lower than current prices. While negotiations with the business sector are underway, an accord will be reached, seeking to reduce the prices of other products to the levels that were prevailing on 3 July. A final accord will be implemented, at the latest in 10 days.

- Summing up, the government promises to maintain the stability of the exchange rate and of utility rates. The government has also negotiated a price stability accord with the private sector and it will accept the decisions

that labor-management committees make on salaries for the private sector. In addition, the drastic reduction in interest rates will strengthen the stabilizing effect on prices.

- The government guarantees that its monetary and fiscal policy, which will be extremely strict, will not tolerate excessive price increases. This will guarantee that prices and private sector salaries will stand at levels that are compatible with a sudden deceleration of the inflation rate.

- Therefore, if the private sector does not work in an absolutely responsible manner, the level of recession and increased unemployment will inevitably grow even beyond the current levels.

- The purchasing power of salaries will grow significantly in August, because salaries are usually spent the month after they are earned. Therefore, even if inflation is suddenly decelerated, the salaries earned in July and spent in August will not be eroded by the brutal price increases of the past few months.

5. - Structural Measures

- Foreign investment

- The restrictions on the law on foreign investment will be canceled. The following policies will be enforced:

- No previous executive branch authorization will be requested for investments in projects of general interest, or for investments that promote productivity, enhance exports, or create new jobs.

- Both national and foreign capital invested in productive activities will receive the same treatment.

Spending

- [Words indistinct] of efficiency and public spending reduction and, in line with this approach, the production of goods and services by the state will be transferred to the private sector, except for those areas that are specifically linked to national security and defense. All feasible methods will be adopted to implement this policy in the shortest possible time.

- In addition, the government will propose the direct elimination of unnecessary organs, enterprises, and agencies.

- In line with this approach, YPF [Government Oil Deposits] will make a new call for bids within the Houston plan. YPF will form partnerships with local and/or foreign companies in order to share the risks, the capital, and the experience, using assisted recovery technology.

- Once the areas of secondary interest are identified, the exploitation of such areas shall be offered through a call for bids.

- The negotiations for the immediate obtainment of approximately \$300 million will be expedited [words indistinct].

- In the case of the national telecommunications enterprise, the nationalization will be implemented through international public bidding.

- The shares of this enterprise will be sold in groups; that is, the shares that will be sold to the business sector, to the supply sector, to the sector of unionized workers, and other shares will be freely sold on the market.

- The state will supervise the performance of each enterprise based on the implementation of policies and on the result of its work.

The transformation of Argentine Railways will be implemented as follows:

- Cargo services and the transportation of containers, retail merchandise, parcels, and mail shall be assigned to private agents.

- Passenger transportation services in the metropolitan area shall be assigned to private companies.

- The main lines shall be assigned to private companies.

- Intercity passenger services will be assigned to private agents.

- A data processing system and a set of regulations shall be implemented in order to guarantee the participation of private agents.

- The commission of new locomotives and maintenance operations shall be entrusted to private agents.

- Infrastructure renewal shall be implemented through long-term contracts (infrastructure leasing) [preceding word in English]

The national highway directorate will entrust the private sector with the construction of 8,000 km of highways through calls for public bids. Highway maintenance shall be implemented through the assignment of work to concessionaries. This program will permit the national highway directorate to save approximately \$35 million and to obtain some \$30 million for the possible sale and/or transfer of goods and equipment that it owns. In addition, the program will permit concessionaires to invest approximately \$20 million in tax revenues.

- The possibility of assigning the work on the remaining 20,000 km of highways through the same system will be considered at a later stage.

As for subsidies, a revision will be implemented [words indistinct], those which are included in the list of expenditures and those which are implicit in the exemptions and reductions of taxes and tariffs, for the purpose of eliminating the unjustified privileges. If subsidies are indispensable, they will be clearly described in the budget.

Tax reform

The tax system shall be simplified through the imposition of the value-added tax on all transactions. This tax will be collected through the banking system. The new mechanism, which will operate through a fiscal current account of the taxpayer, will include the social security contribution. The funds will be accredited daily and will be automatically transferred to the fiscal funds.

[Words indistinct] administrative decentralization will coordinate the tax management functions, taking into account the best operational capacities of each jurisdiction (nation, provinces, municipal districts.)

Indian Official Wishes To Increase Exchanges
PY1107015289 Buenos Aires LA NACION in Spanish
9 Jul 89, 3d section, p 7

[Excerpt] Indian Finance Minister Eduardo Faleiro, [name and title as published] who is here to attend the presidential inauguration, has said that his country is very interested in increasing economic, technological, and cultural exchanges with Argentina. He added that this exchange is currently very low.

In an exclusive interview with this daily, Faleiro said: "This is why we created an Indian-Argentine Mixed Commission which will meet when the Argentine Government decides. We are very interested in promoting a fruitful exchange between the two countries." [passage omitted]

Correction to Report on Inaugural Delegations
PY1007234989

The following correction pertains to the item headlined "More Delegations Arrive," published in the 10 July Latin America DAILY REPORT, page 35: page 35, column two, last paragraph, only sentence make read: ...Garrett Ayllon; Cuban Vice President Jose Fernandez; Italian Senator Susana Agnelli; Chilean Foreign Minister Hernan Felipe Errazuriz... (providing dropped passage).

Bolivia

Vice President Advocates Antidrug Summit
PY1107015489 La Paz EL DIARIO in Spanish
27 Jun 89 p 5

[Excerpt] Vice President Julio Garrett Ayllon has reiterated the need for a summit meeting between the presidents of the Andean countries and U.S. President George Bush to study joint actions to fight drug trafficking.

Garrett also said that it is necessary to implement a policy with the participation of the countries which produce and consume drugs in order to counteract the "great strength of drug trafficking." [passage omitted]

Commander Asserts Army Fulfilling Mission
PY0807133089 La Paz La Red Panamericana
in Spanish 1130 GMT 8 Jul 89

[Text] The Army has rejected a statement by the U.S. ambassador to Bolivia. The statement is even more surprising in view of the Army's experience in the Chaco war.

Division General Romulo Mercado Garnica, Army commander in chief, told Panamericana that the U.S. envoy's statement that the government does not have total control over our territory surprised the Bolivian public.

Gen Mercado said the statement is not true because the government controls the entire territory through one of its institutions: the Armed Forces.

Regarding the possible presence of subversives in the country, Gen Mercado said there are only rumors and speculation on the subject.

Gen Mercado said that the Armed Forces have always fulfilled their mission to preserve the country's security and that recently [words indistinct] have seen that everything is calm and routine.

Gen Mercado said that the Armed Forces have not detected the presence of subversives in the north near the Peruvian border, and he added that the government is currently implementing a program to construct new Army facilities at strategic points in order to have more direct control over these areas.

Passports Issued to PRC Citizens Investigated
PY0707145689 La Paz PRESENCIA in Spanish
29 Jun 89 p 6

[Excerpts] Foreign Ministry Under Secretary Jorge Gumucio Granier has reported that some 1,500 Chinese citizens arrived in Bolivia between November 1988 and April 1989. Gumucio Granier announced this after attending a meeting of the committee that has been investigating the illegal issuance of passports to Chinese citizens. The meeting was held at the Interior Ministry on 28 June.

During the above period, 1,800 Chinese citizens obtained legal Bolivian visas. The migration department estimates that 1,500 of those visas were actually used. Gumucio Granier noted that "some 300 citizens did not arrive in Bolivia."

He added that the interior minister has said that all Chinese citizens whose tourist visas were issued in Canton will have to leave upon expiration of their visas.

Gumucio Granier explained that the type of visas obtained by the Chinese citizens will allow them to stay in the country for 30 or 60 days. The under secretary is the president of the investigating committee that handed the documents of the investigations to the attorney general on 28 June.

Gumucio Granier said that the documents will be used to request police action in case any illegal action is detected. If necessary, the documents will be handed over to the courts. [passage omitted]

Gumucio Granier said that the committee discovered that Bolivian passports were illegally issued to 15 Chinese citizens, some of whom were arrested by police in Spain, the United States, and Hong Kong. The committee provided some illegal visas and copies of the visas that were confiscated in those countries. [passage omitted]

In the wake of the ill-intended comments criticizing the fact that no names have been mentioned in the investigations, the committee "deplores that those who claim to have information have not had the civil courage to file the respective charges in order to help with the investigations."

New Province Created in Oruro Department

PY1107014289 *La Paz EL DIARIO in Spanish*
30 Jun 89 p 8

[Summary] Oruro, 29 Jun (EL DIARIO)—The government has created Mejillones Province in Oruro Department. The new province is located along the Chilean border, and its capital is La Rivera.

Brazil

Argentina Owes \$300 Million for Imports

PY0707175889 *Sao Paulo O ESTADO DE SAO PAULO*
in Portuguese 6 Jul 89 *Economic Section p 4*

[By Aluizio Maranhao]

[Excerpt] Buenos Aires—Argentina already owes Brazil \$300 million in unpaid imports, because Argentina has virtually no foreign currency and cannot pay the banks that finance its purchases abroad. Brazil, however, has decided to keep its ports open to Argentina as a way to help its most important diplomatic partner in Latin America.

This political decision by the Brazilian Government is a signal that Brazil wants to implement the program of economic integration with Argentina that was signed by President Jose Sarney and President Raul Alfonsin. In addition, it is not by chance that this comes at a time when Sarney and Alfonsin have exchanged greetings beyond the rules of diplomacy. [passage omitted]

Country 'Categorically' Not Building Atomic Bomb

PY1007204489 *Madrid EFE Spanish 1313 GMT*
8 Jul 89

[Text] The Brazilian Foreign Ministry, Defense Secretariat, and Navy have categorically denied that the country is building an atomic bomb as was asserted on 6 July by a U.S. document.

Foreign Ministry spokesman Ruy Nogueira has said that the Hemispheric Affairs Council report "is totally baseless," because the use of nuclear energy for war purposes is forbidden by the Constitution.

Regarding the program of space cooperation with the PRC—also under suspicion—Ruy Nogueira said the program is specifically designed for the launching of two satellites essential for the definition of the country's territory.

Meanwhile, the National Defense Advisory Secretariat (SADEN) has said the document, which was released by a U.S. private institution specializing in Latin American affairs, is "fantastic."

The secretariat also said that the document is part of an organized conspiracy to prevent Brazil from reaching technological independence in nuclear matters.

A high-ranking Navy source said that Brazil has already mastered the technology necessary to build an atomic bomb but the project has never been contemplated by Brazilian defense policies because the Constitution specifically forbids it.

Debt Reduction Attempted by Government

PY0907011789 *Sao Paulo O ESTADO DE SAO PAULO*
in Portuguese 7 Jul 89 p 1

[Text] Brazilian Ambassador in Washington Marcilio Marques Moreira left Brasilia yesterday to try to negotiate a 10-percent reduction in medium- and long-term foreign debt, which would bring a relief of some \$6 billion in the debt burden. After a lunch with President Jose Sarney and Finance Minister Mailson da Nobrega, the ambassador said that he will attempt to negotiate with the U.S. Treasury and the IMF what he called a "pilot operation" in debt reduction. In New York, the Brazilian foreign debt notes took another dive in the secondary market. Each dollar of debt could be "bought" for a mere 28 cents. There were no buyers.

Sarney Approves Extra Pay Hike for Military

PY0907231489 *Sao Paulo O ESTADO DE SAO PAULO*
in Portuguese 7 Jul 89 p 1

[Text] President Jose Sarney yesterday approved a 13.42-percent salary increase for military personnel in addition to the increase they will get through provisional measure no. 73, which granted a 37.24 percent increase to all federal government personnel. The increase for the military is based on the opinion of presidential adviser Saulo Ramos, who recommended that all senior military officers receive salaries comparable to those of the justices of the Superior Military Court. The salary increase will be paid retroactively from October. Payment of retroactive salaries will be subject to approval of funds by Congress.

Colombia

Barco Replies to M-19 Leader Pizarro's Letter

PA0807042889 *Bogota Inravisión Television*
Cadena 1 in Spanish 1730 GMT 7 Jul 89

[Text] Colombian President Virgilio Barco issued an urgent response to a letter sent by 19-April Movement [M-19] Commander Carlos Pizarro Leon Gomez on 12

June. In his letter, Pizarro expressed certain political concerns. The following are the five major points in President Barco's letter sent to Pizarro in Santo Domingo, Cauca Department, and which was released today.

In his letter, President Barco discusses developing Pizarro's idea of holding a national plebiscite. President Barco also assesses progress regarding the working table discussions being held between Colombian political leaders and M-19 representatives. Barco's letter also informs Pizarro about how each party's political campaign is being financed.

There are two other important points in the letter. One deals with a pardon law that President Barco will propose for guerrillas who have committed political crimes but who have laid down their arms. That law would grant full guarantees for guerrillas when they rejoin society. The last important point is that President Barco is studying the possibility of allowing new political parties to participate in Parliament. In other words, certain national minorities will have a larger representation in government.

Both President Barco's and Pizarro's letters are 4-pages long in accordance with the equality each side is accorded while peace efforts are being made in Colombia.

Barco Cited on Domestic, Regional Topics
PM1007114889 Madrid ABC in Spanish 23 Jun 89
pp 68-9

[Interview with President Virgilio Barco by Tico Medina in Bogota; date not given]

[Excerpts] [passage omitted] [Medina] The impression is that a period of some peace is being experienced at present. Is this so?

[Barco] The country is forging ahead amid the difficulties. Last September I put forward a "Peace Initiative" establishing the conditions that must be met by a guerrilla group wanting to join civilian life, so that the government can engage in a direct dialogue with the groups that have taken up arms in order to achieve their demobilization and subsequent integration into legal life. A process has been started with M-19, which should lead to this guerrilla group's demobilization and its subsequent final restoration to democracy.

[Medina] How is the foreign debt being repaid, Mr President?

[Barco] Our management of the debt in Colombia has met three basic aims: first, to ensure that the debt remains proportionate to our economy's repayment capacity, without neglecting development finance requirements. Second, the allocation of new credits to

finance the Social Economy Plan, the National Rehabilitation Plan, and programs to combat real poverty. And, third, to avoid at all costs the country's becoming a net exporter of capital.

Colombia's conduct has been atypical of Latin America. We have managed to meet our external commitments and have secured fresh credits. [passage omitted]

[Medina] What is the actual present status of relations between government and guerrillas?

[Barco] As I have already said, there is a "Peace Initiative," which we consider a realistic plan for the guerrilla groups wanting to join democratic life. On 3 April I had the satisfaction of presiding over the opening of the "Working Committee" established under the second phase of this plan, with the participation of representatives of the political parties, M-19 spokesmen, and of course the government itself. These "committees" are a mechanism for discussing the necessary procedures, guarantees, and conditions for the guerrilla groups' demobilization and participation in legal political competition. M-19 has given signs of political realism acknowledged by the majority of Colombians. As for the other guerrilla groups, I must reaffirm that both the "Peace Initiative" and the mechanism of the "working committees" remain open to their participation, as long as they meet the envisaged conditions. That is, to demonstrate their desire for reconciliation—in deeds, not only in words.

[Medina] What did you tell the U.S. President that was so well received in his country during your recent visit to Washington?

[Barco] I was invited by the association of U.S. and Canadian journalistic editors to speak at the closing session of their annual meeting. There I had an opportunity to show how drug trafficking and violence are a threat to democracy and human rights, and also to explain the pressing need for an alliance of nations assailed by this scourge in order to issue an effective response.

Drug trafficking is not a problem confined to a single nation or even a group of nations: It is a universal scourge. Unless we develop strong and effective instruments of international cooperation to combat it at every level it will be impossible to control and finally defeat it.

I also had the opportunity to fully explain the high price paid by Colombia in the struggle against drugs trafficking which, far from justifying the stereotypical image of a country of criminals that some try to attach to us, makes us one of its prime victims.

On this basis I proposed a meeting of President George Bush and the leaders of the hemisphere and of the other affected nations to define urgent and immediate actions in connection with drugs trafficking.

As I said then, the insatiable demand for drugs on the part of consumers in the developed countries has become the greatest threat to our democracy.

[Medina] Is it true that a political and economic triangle is becoming established among Mexico, Venezuela, and Colombia?

[Barco] The recent establishment of the so-called Group of Three among Mexico, Venezuela, and Colombia is an explicit expression of the fact that the three governments have agreed on a number of objectives that we believe can be achieved. Latin America's best solution is to coordinate its stances to resolve the problems affecting the continent and to meet its regional needs.

With Venezuela there are obvious factors of brotherhood and shared history, while we are bound to Mexico by a long tradition of friendship. [passage omitted]

Rebels Demand Dialogue Without Intermediaries
PA0907030789 Paris AFP in Spanish 0119 GMT
9 Jul 89

[By Fabio Castro]

[Text] Bogota, 8 Jul (AFP)—Almost all the Colombian leftist rebels today admitted that they are fed up with the war and have sent a document to President Virgilio Barco's liberal government announcing their wishes for direct dialogue without intermediaries.

Fabio Echeverri, president of the National Industrialists Association (ANDI) and member of the Notables Commission that seeks a rapprochement with the guerrillas, said that "they will talk at ministerial level and not with third parties."

Except for the pro-Castro Army of National Liberation (ELN), all the subversive groups in the country are willing to call a unilateral halt to all hostilities and sit down to negotiate a process of reconciliation.

Echeverri did not specify with whom the guerrilla wish to talk, however, he did hint that they will not talk with one of Barco's peace counselors (Rafael Pardo) who has been in contact with the M-19 [19 April Movement] since December when that group agreed to a dialogue.

The M-19 organization, created in 1973, has been the only Colombian leftist rebel group to accept the peace proposal presented by President Barco on 1 September 1988. In principle, the proposal was almost completely rejected.

The text of the proposal for a "direct dialogue without intermediaries" was brought this evening to Bogota by Echeverri who headed a sub-commission, comprised of

former ministers Juan B. Fernandez and Hernan Vallejo and Bogota Archbishop Sarmiento Angulo, that met with the Simon Bolivar Guerrilla Coordinating Board (CNGSB).

The meeting was held somewhere in the southeastern Meta Department area where the communist Revolutionary Armed Forces of Colombia (FARC) have settled. The FARC is perhaps the oldest and largest rebel group in Colombia and has insisted that it wants to facilitate the pacification of the country.

According to Echeverri, the document was signed by the M-19, the FARC, the Popular Liberation Army (pro-Maoist), the Quintin Lame Commando Unit, and the Revolutionary Workers Party (PRT).

Echeverri said that none of the five subversive groups commented on the letter sent by Barco on Friday to M-19 commander Carlos Pizarro, offering a pardon for those rebels who lay down their weapons.

"They do not want more war, they want a direct dialogue," Echeverri insisted and added that "the Colombian guerrilla is convinced that this war to the death should not continue."

"They want no more fighting, they want no more bloodshed, they want reconciliation," Echeverri added.

Echeverri said that the mission of the Notables Commission, comprised of two former presidents, Misael Pastrana (conservative) and Alfonso Lopez (liberal) and Bogota Cardinal Mario Revollo, "has concluded its mission."

"It is now up to the government to answer whether it wishes to talk or not," Echeverri added, recalling that the Notables Commission was formed in early 1989 at the request of the FARC.

"They want to talk about disarmament, laying down weapons, rehabilitation, and many other social, political, and economic matters. They want to talk about everything, however, they wish to talk at the ministerial level or above," Echeverri concluded.

The ELN rebels, led by former Spanish priest Manuel Perez, did not sign the "pacification" document.

The ELN is bent on heightening its attacks on the Colombian oil industries. The organization has demanded that the government nationalize the oil industry in Colombia.

ELN Kidnaps Three Mayors, Demands 'Oil Forum'
*PA0807230489 Hamburg DPA in Spanish 2025 GMT
8 Jul 89*

[Text] Bogota, 8 Jul (DPA)—Colombian authorities have reported that the National Liberation Army [ELN] today kidnapped three mayors in Antioquia, in the country's northwest, apparently to have them deliver a message to the government.

It was reported in Bogota that heavily armed men, who said they belonged to the ELN, kidnapped Javier Castano, Jose Vasquez, and Nevardo Morales, the mayors of San Francisco, Cocorna, and San Carlos, respectively.

Members of this rebel organization, considered the most radical in the country, yesterday kidnapped Liberal Party parliamentarians Guillermo Alberto Gonzalez and Orlando Gomez Lopez, as well as another political leader, in Popayan, in the country's southwest.

Kidnappings, a practice that the ELN established over the past few months, are used to call the attention of and send messages to President Virgilio Barco's government to demand "the humanization of the war" and the nationalization of the oil industry, which is jointly exploited by the government and foreign firms.

The ELN, which has again and again refused to talk with the government to seek peace, has dynamited oil pipelines and terminals in several areas of the country. The loss inflicted on the country's economy amounts to approximately \$230 million this year alone because oil exports have been partially halted.

Oscar Mejia Vallejo, Colombian minister for mines and energy, said today that the country will have to stop oil exports altogether if the terrorists' actions continue.

In a message to the kidnapped parliamentarians' families, it is said they will be released shortly. The message contains a communique to the government, in which the ELN requested an "oil forum" to analyze the situation of this economic sector.

Releases Mayors 10 Jul

*PA1007192389 Bogota Inravisión Television
Cadena 2 in Spanish 1750 GMT 10 Jul 89*

[Text] The mayors of Cocorna, San Carlos, and San Francisco were released in the municipality of San Francisco, Antioquia, this morning. They were kidnapped last Saturday by the Army of National Liberation [ELN]. Our reporter Lays Vargas has more on this:

[Begin Recording] [Vargas] The mayors of Cocorna, San Carlos, and San Francisco were released at 0430 this morning on San Lorenzo Avenue of Cocorna municipality. They had been kidnapped this past weekend by the ELN. The purpose of the kidnapping was to publicize,

through the mayors, a communique in which the rebel group announces its campaign War for Life, comes out against the dirty war, and makes a new call for a national oil forum for various political and labor organizations to discuss the status of this vital product of our economy. The ELN hopes to present through this forum its views on oil policy. [passage omitted]

[Mayor Nevardo Morales] They assured us that nothing would happen to us, that everything would be all right because this was only part of a campaign they are waging called the War for Life. They kidnapped me and took me to their camp.

[Vargas] What is in the communique, Mayor?

[Morales] The communique is being held by the mayor of San Carlos. In any event, we want to speak to the government secretary tomorrow or this afternoon to give him the communique. We do not know when it will be possible to speak to him.

[Vargas] In the coming hours, the mayors of Cocorna, San Francisco, and San Carlos will travel to Medellin to meet with the government secretary. Tomorrow they plan to hold a news conference during which they will present the communique given to them by the ELN. [end recording]

ELN Kidnaps Congressmen, Promises Their Release
*PA0807043889 Buenos Aires REUTER in Spanish
0410 GMT 8 Jul 89*

[Text] Bogota, 7 Jul (REUTER)—Guerrillas of the Army of National Liberation (ELN) kidnapped two congressmen today, but the ELN promised to release them with a message for President Virgilio Barco, according to a communique sent to a Colombian newspaper. The report was confirmed by relatives of one of the victims.

The two members of the House of Representatives, Alberto Gonzales Mosquera and Orlando Gomez, and a leader of a mass organization, Orlando Palta, were taken hostage by the ELN's so-called Southwestern War Front, according to the communique the kidnappers sent to the Popayan newspaper EL LIBERAL.

Gonzales Mosquera's family confirmed that he had been kidnapped.

Carlos Cabal, manager of EL LIBERAL, said the ELN communique was received this morning. He said the guerrillas promised to respect the lives of their hostages and to release them safe and sound.

Cabal added that, according to the communique, the hostages will be released with a message for President Barco in which the ELN will explain its position on the country's oil policy and will make a proposal to humanize the war that insurgent groups are waging against the Colombian Government.

Cabal said he does not know how the kidnapping was carried out: "We only know that they are missing." He added that this is the first known action of the ELN in that part of the country.

The ELN is Colombia's most active guerrilla group. It has carried out more than 100 attacks against the oil sector in an attempt to pressure the government into changing its oil policy and expelling foreign companies.

Releases One

PA0907021589 Bogota Inravisión Television
Cadena 1 in Spanish 0143 GMT 9 Jul 89

[Text] This is a last minute report. Parliamentarian Guillermo Alberto Gonzalez was released by the National Liberation Army [ELN] this afternoon.

Gonzalez was kidnapped in Popayan yesterday morning. He reported for this newcast that the guerrillas gave him a document addressed to the government, in which they demand a national oil forum and the mine minister's resignation, among other things, prior to any contact with the government to seek peace.

ELN Threaten To Kill Norwegian Anthropologist
PA0807021489 Hamburg DPA in Spanish 2252 GMT
7 Jul 89

[Text] Bogota, 7 Jul (DPA)—The Bogota newspaper EL TIEMPO reported today that Bruce Olson, a Norwegian anthropologist who has been held hostage by the Army of National Liberation (ELN) guerrillas for the past 8 months, is reportedly to be executed in the next few hours, according to an ELN message, which states that he has been condemned for his "exploitative activities" in Colombian Indian communities.

According to the ELN, which had promised in previous pronouncements not to kill him, the anthropologist, who arrived in the country almost 30 years ago, has "deliberately committed very serious crimes by carrying out exploitative and colonialist activities." Olson was kidnapped by the ELN, considered the most radical rebel group in Colombia, when he was living in the Los Motilones Indian community, located in the northwestern part of the country.

One of the ELN's charges is that the anthropologist applied unorthodox forms of tropical medicine among the Indians, which reportedly resulted in the death of almost one-third of the Los Motilones population between 1963 and 1970. However, the community's tribal authorities have said that Olson respected their customs and has worked hard to teach them to read and write.

Meanwhile, military spokesmen reported today that four soldiers were killed and five others wounded in intensive skirmishes with ELN columns during the past few hours in the eastern Arauca Intendency (province), close to where the Norwegian was kidnapped.

To Release Norwegian

PA1007020889 Bogota Inravisión Television
Cadena 1 in Spanish 0110 GMT 10 Jul 89

[Text] The Army of National Liberation Army [ELN] has promised to release Norwegian anthropologist Bruce Olson within the next few days. The ELN had kidnapped and sentenced Olson to death. ELN Military Commander Nicolas Rodriguez announced this decision to reporters from the Spanish news agency EFE.

Olson, a philosopher and anthropologist, arrived in Colombia 30 years ago and had been working with the Motilones Indians in the Catatumbo jungle until his capture. He had built 14 schools and several health centers in the area. He had also written several books on the Motilo Indian language. The ELN, however, accused him of being a CIA agent and an exploiter of the Indian people. The ELN kidnapped Olson, made him a prisoner of war, and sentenced him to death. However, this nightmare is now over. The ELN has promised to turn over Olson, safe and sound, to the Red Cross in the next few days.

In addition, the ELN sent a letter to President Barco. Parliamentarians Guillermo Alberto Gonzalez and Orlando Gomez will deliver the letter to the president tomorrow. In this letter, the ELN lists its demands to stop blowing up the oil pipelines.

According to Gonzalez, the guerrilla group demands the dismissal of Mines Minister Oscar Mejia and ECO-PETROL [Colombian Petroleum Enterprise] President Andres Restrepo. The ELN also conditioned their suspension of attacks against the pipelines on the creation of a national petroleum council and a forum for a debate to review the current oil policy.

[Begin Gonzalez recording] My impression during my 2 days of captivity is that they [the ELN guerrillas] attach great importance to a debate on the nation's oil policy. They demand that this debate be carried out through a council meeting, which would include representatives from the government, labor unions—particularly the (USO) and ECOPETROL unions—as well as several prominent figures whom they listed in the letter to the president. [end recording]

Gonzalez added that he agrees with Comptroller Rodolfo Gonzalez that the government should talk with the ELN, a guerrilla group which in the past has been the most unwilling to join the peace process.

[Begin Gonzalez recording] If the dialogue results in a solution to Colombia's public unrest, then we must not avoid the dialogue; we must hold it. [end recording]

ELN Attacks Cano Limon-Covenas Pipeline

PA0807040989 Madrid EFE in Spanish 0314 GMT
7 Jul 89

[Text] Bogota, 7 Jul (EFE)—Colombian officials report that guerrillas presumed to be members of the pro-Castro Army of National Liberation (ELN) today once again dynamited the Cano Limon-Covenas oil pipeline, Colombia's major oil pipeline.

An ECOPETROL [Colombian Petroleum Enterprise] spokesman said that the explosion took place at km-102 of the pipe near Benadia in Arauca intendency, in the eastern part of the country.

This attack takes place 25 days after a previous guerrilla action, which interrupted the pumping of crude through the 780-km long pipeline. On 16 June, the ELN destroyed the Cano Limon-Covenas oil terminal on Colombia's Atlantic coast, in what is considered the most serious attack against Colombia's petroleum industry in its history. Since that time, Colombia has been forced to suspend an average of 180,000 of the 220,000 daily barrels of crude piped through the country's leading pipeline.

Today's attack is the 25th during 1989, and the third this week, the ECOPETROL spokesman revealed. The ELN's attacks have reduced the nation's hydrocarbon production this year by 20 percent, with losses exceeding \$180 million. The ELN has dynamited the Cano Limon-Covenas pipeline 125 times since January 1988, causing losses of more than \$450 million as a result of oil spills, halted production, the suspension of exports, and ecological damage, the ECOPETROL spokesman added.

During the 25 years of its armed struggle, the ELN—led by former Spanish priest Manuel Perez—has intensified its attacks against the petroleum infrastructure, arguing that it perpetrates these actions "to prevent the exploitation of Colombia's natural resources."

Bombs Destroy Store, Emerald Dealer's Office

PA0907000489 Bogota Inravisión Television
Cadena 1 in Spanish 0000 GMT 8 Jul 89

[Excerpts] Bomb attacks continue to take place in Bogota. On 6 July, a bomb explosion destroyed a branch store of Supertiendas La Rebaja in western Bogota, while another bomb explosion on 7 July destroyed the northern Bogota offices of Tecminas de Boyaca, an enterprise that exploits and markets emeralds.

Six kg of dynamite were placed in a flower pot decorating one of the rooms [of Tecminas] at a time when it was evident that (Jairo Molina) and (Jao Gilberto) were inside. According to witnesses, the latter was rushed out

protected by his bodyguards when the explosion occurred. The bomb destroyed computers, furniture, and typewriters, and shattered windows of nearby apartments and parked cars. [passage omitted]

With the raid on the apartment where (Jorge Jaitan) was staying, yesterday's attack against the mayor of Chia, and today's bomb in Tecminas, the green war [referring to the war among emerald dealers] does not stop.

Government Appoints New Brigade Commanders

PA0907023489 Bogota EL SIGLO in Spanish
29 Jun 89 p 6-A

[Text] The Colombian Government today appointed new commanders to the Army's 4th, 6th, and 8th brigades. Decree 1374, appointing the new commanders, was signed by President Virgilio Barco Vargas and Defense Minister General Manuel Jaime Guerrero Paz.

Brigadier General Jose Gregorio Torres Ramirez has been transferred from the Army's 6th Brigade general headquarters and appointed commander of the 4th Brigade general headquarters.

Meanwhile, Brigadier General Jaime Ruiz Barrera has been transferred from the 4th Brigade general headquarters.

As of 1 August 1989, Colonel Celso Suarez Martinez will be transferred from the Army's Auxiliary Personnel Section to the 8th Brigade general headquarters, where he will replace Brigadier General Rodolfo Torrado Quintero as commander.

Government Appoints New Prisons Director

PA0707133389 Bogota EL SIGLO in Spanish
29 Jun 89 p 7-A

[Summary] The government has appointed lawyer Jaime Camacho Florez as the new prisons general director. He replaces Guillermo Eduardo Ferro Torres.

Peru

Garcia Returns Home From Menem Inauguration

PY1007191989 Lima Television Peruana in Spanish
1300 GMT 10 Jul 89

[Text] Peruvian President Alan Garcia returned to the country last night after attending the presidential inauguration of Carlos Saul Menem.

During the last day of his official visit to Buenos Aires, the chief of state participated in a working breakfast with the presidents and representatives of the member countries of the Group of Eight.

President Comments on Argentine Situation, Debt
PY1007215789 Lima Television Peruana in Spanish
0100 GMT 9 Jul 89

[Interview with President Alan Garcia while attending Argentine presidential inauguration in Buenos Aires on 8 July—recording; monitored in progress]

[Text] [Garcia] ...should only be looked at as speculation or as statistical figures because basically speaking Argentina is a solid country with big industry and agriculture, but most of all Argentina has capable people and leaders to overcome these problems.

[Reporter] Latin American countries continue in democracy, what is the possibility of achieving solidarity and real integration?

[Garcia] Integration is the future of our democracy. No isolated project by any of our nations will really be successful without integration.

Our nations have industry, agriculture, governments and political organizations but only if Latin America is united will it be able to face the foreign debt problem, economic development, well-being, and justice. Without them democracy cannot prevail.

[Reporter] Can the workers play a role in this?

[Garcia] I believe that democratic governments can only survive with the participation of the workers. In Peru we would like to strengthen our government with the labor organization. The national popular parties are parties made up of laborers and intellectuals. Therefore, I believe that the presence of the people, through their unions and professional organizations, is essential to revitalize and to give real meaning to democracy. Democracy does not only involve elections but also better distribution of wealth and affirmation of the sovereign independence of our nations aimed at achieving the great integration of Latin America.

[Reporter] Will the Carlos Menem administration follow that path?

[Garcia] I believe so. President Menem is a leader of the Justicialist Party and I am convinced that he will affirm these principles which the old general [General Peron] left as a legacy.

[Reporter] What message would you give the Argentine people in relation to the problems facing Peru?

[Garcia] We have had serious problems in Peru but in spite of them we have always defended one principle, and that is that despite our problems we were never an antipatriotic government. We wanted to prevent the impoverishment of the people by not paying international banks. As a result of this action we had enough dollars in the first 2 years of our government. This is why

we implemented a very large economic development program. We made a mistake when we grew too much, became too enthusiastic in our growth. We had problems in 1988. The Latin American rightist groups took advantage of those problems to say that a country which does not pay the IMF or does not pay the banks is condemned to have economic problems. This is not true. Our problems were the result of excessive growth, not for paying or for not paying the banks. Now, after a few months of economic corrections, we have been able to reach an important level of monetary reserves which we are now using for economic growth, creating more jobs for the well-being of our population. Therefore, any crisis in Latin America is temporary. Any crisis is temporary because the crisis deepens when faced with international factors and with the level of available foreign currency reserves. The best way to maintain enough foreign reserves and dollars is to do what we did in Peru, and I am not giving this as a prescription; we kept in Peru, the reserves allocated to pay the international banks.

Police Attack Construction Workers in Lima
PY0707174189 Madrid EFE in Spanish 0642 GMT
7 Jul 89

[Text] Lima, Jul (EFE)—The Interior Ministry has issued a communique reporting the death of a construction worker in an incident that occurred in Lima last night. During the incident two policemen repelled with their weapons more than 100 striking workers who attacked them.

According to the communique, four other workers, who are on a hunger strike, and a policeman were wounded.

The official communique said the policemen fired their weapons when over 100 construction workers, who were leaving the Federation of Peruvian Civil Construction Workers (FTCCP), threw sticks of dynamite and stoned the vehicle in which the policemen were carrying an alleged thief.

FTCCP leader Arturo Vicente Ponte has provided a report that is different from the one issued by the Interior Ministry. Ponte said that bricklayer Hernando Mamani was killed when he and other workers tried to prevent a police unit from raiding the FTCCP headquarters located in La Victoria shantytown.

The communique says that members of a local police station helped the two policemen, adding that the Interior Ministry "deeply regrets" the incident and formally promises to thoroughly investigate the incident.

Ponte charged that the police fired at the workers for no reason whatsoever. The workers earlier today violently clashed with the police when they repressed a protest march in downtown Lima.

According to the FTCCP, some 200,000 construction workers have been on strike since 3 July demanding a salary hike.

Terrorists Kill Peasant Defense Patrolmen

PY0707161089 Madrid EFE in Spanish 0544 GMT
7 Jul 89

[Text] Huanta (Peru), 6 Jul (EFE)—Eight members of the so-called "Peasant Defense Patrols" were killed today in an armed clash with a "Shining Path" terrorist group in the township of Ischccana, 30 km north of Huanta. A doctor who tended the patrolmen made this report today.

Doctor German Lazon told the press that the clash occurred last Tuesday [4 July] but it was kept secret following a petition made by the military command charged with defending Huanta, an Andean province that has been in a state of emergency for the past 6 years.

Eyewitnesses informed the doctor that at least 100 militants of the Shining Path terrorist organization attacked Ischccana, throwing sticks of dynamite and firing bursts using submachineguns.

The eyewitnesses pointed out that the night attack was countered by the "peasant defense patrolmen," that eight of them were killed, and that at least a dozen were taken prisoner.

The bodies of the dead peasants were taken today to a hospital in Huanta, 560 km southeast of Lima, and will be buried tomorrow.

The military command in Huanta also reported that seven other peasants, who were wounded in a clash with terrorists last Monday [3 July] in the township of Pampa Cores, near Ischccana, died on Wednesday [5 July]. On that occasion, 17 peasants were killed and about 20, who were tended by local doctors, were wounded.

Pampa Cores residents have told the press that the Shining Path people attacked the two townships, taking advantage of the withdrawal of a group of Army soldiers who had been patrolling the area for the past 5 weeks.

Terrorists Murder Puno Township Officials

PY0907215589 Madrid EFE in Spanish 0146 GMT
9 Jul 89

[Text] Lima, 8 Jul (EFE)—Last Thursday night alleged members of the Shining Path terrorist organization murdered the mayor, the deputy mayor, and the justice of the peace of the township of Pupuja, "Radioprogramas del Peru" has reported.

Pupuja is located in Azangaro Province, Puno Department, along the Bolivian border, an area in which Shining Path groups carry out frequent actions.

The victims were Pupuja Mayor Ceferino Villanueva, a member of the ruling American Popular Revolutionary Alliance (APRA); deputy mayor Agustin Chambi; and Justice of the Peace Sebastian Sanchez. All the men were shot to death.

The terrorists were apparently the same ones who recently clashed with members of the police in the same province. According to a communique released by the Interior Ministry last Thursday, seven Shining Path members, six policemen and a civilian died in that clash.

The policemen were buried today in Lima. Three of them were officers.

Since 1980 political violence in Peru has claimed 14,208 lives and has caused damage estimated at \$10 billion.

Policemen Die in Ambush

PY0707172489 Madrid EFE in Spanish 0327 GMT
7 Jul 89

[Text] Lima, 6 Jul (EFE)—The Interior Ministry has reported in Lima that seven Shining Path terrorists, six policemen, and one civilian have died in an armed clash in Azangaro, Puno Department, in the southeast of Peru.

An official communique issued by the Interior Ministry states that three senior police officers were killed and one noncommissioned officer was seriously wounded during the clash in Azangaro, some 1,300 km from Lima.

The communique adds that a National Police patrol was ambushed by Shining Path terrorists, who used firearms and bombs. One of the bombs destroyed the vehicle in which several policemen, including the dead officers, were traveling.

The patrolmen who were not injured repelled the attack, killing seven terrorists.

The communique adds that the police patrol is searching for the terrorists.

Reports received from Huanta, Ayacucho Department stated today that on 3 July a group of Shining Path terrorists killed 8 members of the Peasant Civil Defense Group in the township of (Ischccana).

The political violence in Peru has claimed the lives of 1,466 people during the first 6 months, while almost 14,000 people have died since the Shining Path began its armed struggle in 1980.

Uruguay

Sanguinetti Departs for Portugal, France
*PY1007232689 Madrid EFE in Spanish 1952 GMT
9 Jul 89*

[Text] Montevideo, 9 Jul (EFE)—Uruguayan President Julio Maria Sanguinetti today traveled to Portugal. Tomorrow he will begin a 3-day official visit to that country. Sanguinetti will then go to Paris to participate in the French Revolution bicentennial celebration.

His delegation includes Foreign Minister Luis Barrios Tassano and representatives of the various political parties. They went to Lisbon from Buenos Aires where they had attended the inauguration of Carlos Saul Menem.

In Portugal Sanguinetti will meet with Portuguese President Mario Soares, Prime Minister Anibal Cavaco Silva, and political and business leaders.

According to official Uruguayan spokesmen, the leaders of the two countries will analyze their balance of trade, their political and cultural relations, and the future of Latin American relations with the European Community after 1992.

On 12 July, President Sanguinetti, his wife Marta Cansessa de Sanguinetti, and his delegation will travel to Paris at the invitation of French President Francois Mitterrand to participate in the celebration of the bicentennial of the fall of the Bastille.